FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Asia

FBIS-EAS-95-084
Tuesday
2 May 1995

Daily Report
East Asia

FBIS-EAS-95-084 CONTENTS *2 May 1995*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-ASIAN AFFAIRS

ASEAN Economic Ministers Issue Communique *[THE SUNDAY NATION 30 Apr]* 1
Ministers Agree on 'More Unified' APEC Stance *[BANGKOK POST 29 Apr]* 1

NORTHEAST ASIA

Japan

Vice Minister Rejects U.S. Auto Parts Goals *[KYODO]* 3
Poll: Americans' Image of Japan Said Improving *[KYODO]* 3
Nuclear Weapons Awareness in U.S. Discussed *[KYODO]* 4
Editorial Previews Tamazawa-Perry Security Talks *[YOMIURI SHIMBUN 2 May]* 4
Tamazawa, Anthony Lake Meet on Security Issues *[KYODO]* 5
Okinawa Governor Previews U.S. Lobbying Tour *[RYUKYU SHIMPO 25 Apr]* 5
Editorial on Shouldering U.S. Bases Expenses *[RYUKYU SHIMPO 17 Apr]* 6
Tokyo To Cooperate With U.S. in Peacekeeping *[KYODO]* 7
Editorial Urges U.S., SRV To Normalize Ties *[MAINICHI SHIMBUN 30 Apr]* 7
Tokyo To Study U.S. Sanctions Against Iran *[NIHON KEIZAI SHIMBUN 1 May]* 8
Private Firms on U.S. Trade Embargo With Iran *[NIHON KEIZAI SHIMBUN 2 May]* 8
Technology Sales to Iran Unconfirmed *[KYODO]* 8
Early Resumption of Talks With DPRK Unlikely *[NIHON KEIZAI SHIMBUN 1 May]* 9
ROK Repeats Hope for No-War Resolution in Diet *[KYODO]* 9
ROK's Pak Calls for More Investment *[KYODO]* 10
ROK's Pak To Welcome Firms Moving Production Bases *[NIHON KEIZAI SHIMBUN 29 Apr]* . 10
Ministry Reports Flourishing Regional Cooperation *[KYODO]* 10
Murayama Departs for Five-Day Visit to PRC *[KYODO]* 11
    To Ask Help in U.S.-DPRK Talks *[NIHON KEIZAI SHIMBUN 28 Apr]* 12
MPT To Help China Install Telecom Network *[KYODO]* 12
Former Minister on Tokyo, Beijing Roles in Asia *[KYODO]* 13
Large Environmental Mission To Visit China *[NIHON KEIZAI SHIMBUN 22 Apr]* 14
Daily Comments on Exchange Rate Intervention *[ASAHI SHIMBUN 20 Apr]* 14
Editorial on G-7 Inaction on Declining Dollar *[NIHON KEIZAI SHIMBUN 27 Apr]* 15
Strong Yen Hits Import-Competitive Small Firms *[KYODO]* 16
Credit Association's Rebuilding Plan Discussed *[KYODO]* 17
Outstanding Bad Loans of City Banks Reported *[KYODO]* 17
LTCB Reports on Bad Loan Disposal *[KYODO]* 18
Commercial Banks Revise Time Deposit Rates *[KYODO]* 18
Tokyo Power Approves Foreign Procurement Plan *[YOMIURI SHIMBUN 21 Apr]* 18
Semiconductor, Auto Firm Investments Differ *[NIHON KEIZAI SHIMBUN 24 Apr]* 19
Agency Approves GATT-Mandated Rice Imports *[NIHON KEIZAI SHIMBUN 27 Apr]* 20
    Rice Auction Moved to Jun *[KYODO]* 20
DA Drafts New SDF Reserve System Plan *[NIHON KEIZAI SHIMBUN 24 Apr]* 20
SDPJ Group Proposes FEMA-Type Body *[KYODO]* 21
Ruling Parties Decide To Streamline JDB *[NIHON KEIZAI SHIMBUN 29 Apr]* 21
Tokyo To Lift Freeze on Public Works Outlays *[NIHON KEIZAI SHIMBUN 16 Apr]* 22
Murayama, Takemura Study New Political Force *[NIHON KEIZAI SHIMBUN 2 May]* 22
LDP Members Bargaining on Next Leadership *[NIHON KEIZAI SHIMBUN 30 Apr]* 23
Murayama Rules Out Cabinet Change Before Jul *[KYODO]* 24
Kono on Possible Cabinet Change After Jul *[KYODO]* 24
LDP Sees 31.5 Percent Drop in Local Funds *[KYODO]* 24
SDPJ Chapters Want New Party After Poll *[YOMIURI SHIMBUN 25 Apr]* 25

- Rengo Marks May Day With Murayama Attending *[KYODO]* 26
- Murayama Views Wartime Responsibility *[KYODO]* 26
- Academics, Lawyers Urge 'No-War' Resolution *[KYODO]* 26
- Prefectural War Resolutions Omit Apologies *[KYODO]* 27
- Minister Urges Global Gun Control Cooperation *[KYODO]* 27
- MITI To Help Russian Firms Promote Exports *[SANKEI SHIMBUN 1 May]* 27
- MPT Seeks More Open Communications Markets *[NIHON KEIZAI SHIMBUN 22 Apr]* 28
- Hashimoto Departs To Attend Quad Trade Meeting *[KYODO]* 28
- Kono Returns From Trip to Croatia, Hungary *[KYODO]* 28
- Key Industries To Review Production Plans *[ASAHI SHIMBUN 20 Apr]* 28
- Auto Sales Rise for 11 Months Running *[KYODO]* 29
- Editorial Comments on Textile Imports Curb *[YOMIURI SHIMBUN 22 Apr]* 29

North Korea

- Paris Conference Urges Repatriation of Prisoners *[KCNA]* 30
- Family of Unconverted Prisoner Interviewed 30 Apr *[Pyongyang Radio]* 31
- Talk Urges Abolition of National Security Law *[Pyongyang Radio]* 32
- Foreigners Attending Pyongyang Festival Cited *[KCNA]* 34
- Reports on WPK Anniversary Activities Continue 34
  - NODONG SINMUN Urges Celebration *[KCNA]* 34
  - People Urged To Unite Behind CC *[KCNA]* 35
  - Slogans Issued on Anniversary *[Pyongyang Radio]* 36
- Functions Held Abroad on Kim Il-song's Birthday *[KCNA]* 47
- Daily on Reunification Through Confederation *[KCNA]* 48

South Korea

- DPRK Acceptance of High-Level Talks Welcomed *[YONHAP]* 48
- Status of U.S., DPRK Liaison Offices Viewed *[CHOSON ILBO 2 May]* 49
- Seoul Debates Ways To Deal With North Defectors *[YONHAP]* 50
- Festival Expected To Be 'Drain' on North Economy *[THE KOREA TIMES 29 Apr]* 50
- Daewoo Studies Providing 'Guidance' to North *[SEOUL SINMUN 1 May]* 51
- Paris Conference Adopts Repatriation Appeal *[KCNA]* 51
- Kim Tae-chung Departs for Two-Week U.S. Visit *[YONHAP]* 52
  - Comments on DPRK Nuclear Issue *[YONHAP]* 52
- Seoul Agrees To U.S. Talk Over Food Inspection *[YONHAP]* 52
  - Chang Said Delegation Leader *[YONHAP]* 52
- Official Reassures Public on Customs Procedures *[THE KOREA HERALD 29 Apr]* 53
- President on Need To Strengthen Competitiveness *[YONHAP]* 53
- ROK's International Credit-Rating Upgraded *[YONHAP]* 53
- OECD: ROK Behind Southeast Asia in Savings *[YONHAP]* 54
- Exports, Imports Surpass $10 Billion Each *[YONHAP]* 54
- Exports of Semiconductors Increase 60 Percent *[THE KOREA TIMES 2 May]* 54
- No Decision Made on Sending Unit to Angola *[THE KOREA TIMES 2 May]* 55
- Japanese Official Visits Air Force Headquarters *[YONHAP]* 55
- Ministry Reports Trade With PRC 'Skyrocketed' *[YONHAP]* 55
- Residency Status for Korean-Chinese Planned *[YONHAP]* 56
- ROK, SRV Agree To Exchange Military Attaches *[HANGUK ILBO 1 May]* 56
- Hyundai Firm Completes SRV Pipeline Project *[THE KOREA HERALD 2 May]* 56
- Nations Send Condolences Over Gas Explosion 57
  - Britain Offers Condolences *[YONHAP]* 57
  - Canada Expresses Condolences *[YONHAP]* 57
  - German Leaders Send Condolences *[YONHAP]* 57
- BOK Offers Support to Damaged Small Businesses *[YONHAP]* 57
- Assembly Opens, Fails To Go Into Business *[YONHAP]* 57
- No Agenda Set for Extraordinary House Session *[YONHAP]* 58
- Yi In-che Selected as DLP Governor Candidate *[YONHAP]* 58
- Recall of Booklet Referring to Sea of Japan Urged *[YONHAP]* 58
- United Liberal Democrats Admit 'Booted' Generals *[KYONGHYANG SINMUN 2 May]* 58

Ruling Party Legislator Joins Splinter Party *[YONHAP]* 59
Questionnaires Sent to Former Presidents Chon, No *[YONHAP]* 59
Opinion Poll Results on Various Issues Published *[CHOSON ILBO 1 May]* 59
Statistical Office Reports Economy Expanding *[YONHAP]* 60
Daily Analyzes Danger of Economic Overheating *[SEOUL SINMUN 2 May]* 61

SOUTHEAST ASIA

Burma

Dissident Banyar Zaw Returns From Japan *[Rangoon TV]* 62
KNU Reports on Situation at Refugee Camps *[BurmaNet News]* 62

Brunei, Malaysia & Singapore

Malaysia

Badawi Regrets U.S. Trade Embargo on Iran *[Kuala Lumpur International]* 63
U.S. 'Prejudice' Against Muslims, Islam Cited *[NEW STRAITS TIMES 25 Apr]* 63
Official on Farm Products in CEPT Scheme *[Kuala Lumpur International]* 64
Air Force Takes Delivery of MiG-29 Jets *[Kuala Lumpur TV]* 64
Badawi Comments on UN Financial Problems *[BERITA HARIAN 2 May]* 64
Cooperation Agreements Signed With Algeria *[Kuala Lumpur TV]* 65
Commentary on East Asian Editors Meeting *[Kuala Lumpur International]* 65
Editorial Views Implications of BN Victory *[NEW STRAITS TIMES 26 Apr]* 66
PAS Dissatisfied With Council Seat Quota *[BERITA MINGGU 30 Apr]* 66
Opposition Party Vows To Continue Fight *[Kuala Lumpur International]* 67

Cambodia

'Unprecedented' Cooperation on MIA Case Cited *[AFP]* 67
    MIA Remains Handed Over *[Phnom Penh Radio]* 68
Commentary Urges Cooperation With U.S. Probe *[Phnom Penh Radio* 68
Hun Sen Stresses Seriousness of Trade Imbalance *[Phnom Penh Radio]* 69
Khmer Rouge Hail Rangsi's New Party Plan *[Radio PGNUNS]* 69
Sam Rangsi's Plan To Form New Party Assessed *[REAKSMEI KAMPUCHEA 30 Apr]* 70
Khmer Rouge Comment on Victory Anniversary *[Radio PGNUNS]* 70
Khmer Rouge Army Urges Further Attacks *[Radio PGNUNS]* 71

Indonesia

Envoy Views Settlement of East Timor Issue *[SUARA PEMBARUAN 24 Apr]* 73
Suharto Receives Chinese General Zhang *[Jakarta Radio]* 74
Suharto Meets With Algerian, Malagasy Ministers *[ANTARA]* 75
Foreign Investment Hits New High in 1st Quarter *[THE JAKARTA POST 25 Apr]* 75
Editorial Supports Intellectual Property Law *[SUARA KARYA 28 Apr]* 76
Rumored Suharto-Military Friction Denied *[SUARA KARYA 29 Apr]* 77
Advisory Council Discusses Succession Issue *[Jakarta Radio]* 77
Importance of Food Security Stressed *[Jakarta Radio]* 78
    Suharto Orders Increase in Rice Stocks *[ANTARA]* 78
Commentary Supports Plan To Cut ABRI Seats *[Jakarta Radio]* 78
Editorials on Reduced ABRI Representation *[KOMPAS, etc.]* 79

Philippines

Siazon Assumes Post as Foreign Secretary *[Quezon City Radio-TV]* 79
Foreign Investment Doubles in 1994 *[THE MANILA CHRONICLE 27 Apr]* 79
First Quarter Surplus of P3.2 Billion Posted *[THE MANILA CHRONICLE 27 Apr]* 80
Navy Acquires 2 New U.S. Fast Patrol Boats *[Quezon City Radio-TV]* 80
MNLF Spokesman Denies Threat To 'Go to War' *[MANILA BULLETIN 28 Apr]* 81

General Downplays Alleged MNLF War Threat *[THE MANILA CHRONICLE 28 Apr]* 81
Abu Sayyaf Members Said Arrested in Ipil Attack *[MANILA STANDARD 25 Apr]* 81

Thailand

Revoking of GSP Incentives Set for Jul *[Bangkok Radio]* 82
Official Blasts Japan for Skipping ASEAN Meet *[THE NATION 29 Apr]* 82
Vision of Tariff-Free ASEAN Market Outlined *[BUSINESS DAY 2 May]* 82
ESCAP To Focus on Developing Human Resources *[BANGKOK POST 2 May]* 83
Government Urged To Revise Burma Policy *[KRUNGTHEP THURAKIT 1 May, etc.]* 83
'Repeated' Incursions by Karen Forces Viewed *[THE NATION 2 May]* 84
    Chatchai Slams Army *[BANGKOK POST 2 May]* 85
    Surin on Refugee Protection *[Bangkok Radio]* 85
    Refugees Move to Safer Camp *[BANGKOK POST 2 May]* 85
Means to Solve Karen Problem Discussed *[BANGKOK POST 2 May]* 85

Vietnam

Le Duc Anh Departs for Visit to Kuwait, Syria *[Hanoi International]* 87
    Arrives in Kuwait *[Hanoi Radio]* 87
Senior Commanders Discuss Training Priorities 87
    Corps Commander Interviewed *[QUAN DOI NHAN DAN 1 Mar]* 87
    Air Force Commander Interviewed *[QUAN DOI NHAN DAN THU BAY 4 Mar]* 88

ASEAN Economic Ministers Issue Communique

BK3004125995 Bangkok THE SUNDAY NATION in English 30 Apr 95 p A4

["Final Communique" of ASEAN Economic Ministers Meeting in Phuket]

[FBIS Transcribed Text] The ASEAN Economic Ministers (AEM) met informally in Phuket, Thailand on April 28-29 to discuss the preparations for the Fifth ASEAN Summit and the progress made in implementing its mandates from the First AEM Retreat in Genting Highlands, Malaysia, in April 1994 and the 26th AEM in Chiang Mai last September.

The discussions covered, among other things, progress in the implementation of the Common Effective Preferential Tariff (Cept) Scheme for AFTA, cooperation in industrial development, cooperation in services, cooperation in intellectual property, cooperation in transport and communications, Vietnam's accession to ASEAN economic agreements, the World Trade Organization and the Asia-Pacific Economic Cooperation (Apec) forum.

In view of the increasingly competitive global economy and the rapid industrialization process in ASEAN, the Ministers agreed that there is a need to look into new activities and/or schemes to accelerate industrial cooperation in ASEAN. In this regard, the Ministers endorsed the decision of the Sixth AFTA Council Meeting to phase out the ASEAN Industrial Joint Venture (AIJV) Scheme and the Brand-to-Brand Complementation (BBC) on the automotive industry; and to phase the ASEAN Preferential Trading Arrangement into the Cept Scheme for Afta so as to provide a more transparent trading environment in ASEAN.

The Ministers also agreed that an agreement on services should be formulated under the umbrella of the 1992 Framework Agreement on Enhancing ASEAN Economic Cooperation. This agreement should include both liberalization and cooperation in trade in service. The agreement should also entail commitments that are beyond the General Agreement on Trade in Services (Gats) and aim to realise a free trade area in services in the longrun.

In the area of cooperation in intellectual property, the Ministers agreed that ASEAN should explore the possibility of setting up an ASEAN Patent and Trademark System.

The Economic Ministers urge the ASEAN Ministers of Transport and Communications to meet and discuss the possible acceleration of ASEAN cooperation in transport and communications towards closer economic integration in ASEAN.

The Ministers also welcomed Vietnam's impending membership to ASEAN in July 1995 and her intention to accede to the 1992 Framework Agreement on Enhancing ASEAN Economic Cooperation and the Cept Agreement upon joining ASEAN.

The Ministers discussed areas of possible cooperation with the countries of the Australian-New Zealand Closer Economic Relations Trade Agreement (CER) and proposed to hold a consultative meeting with their counterparts from the CER countries in September 1995.

The Ministers discussed and noted the progress made in the preparation for the Apec Ministerial Meeting in Osaka in pursuant to the Bogor Declaration.

The Ministers noted that the next Director-General of the World Trade Organisation (WTO) would not be from a developed country. The Ministers agreed that ASEAN would endeavour to identify suitable candidates for the position when the tenure of the present Director- General ends.

The Ministers agreed that the private sector should be brought in for consultation in the next Policy Exchange Mechanism (PEM) in Brunei Darussalam.

Ministers Agree on 'More Unified' APEC Stance

BK2904130895 Bangkok BANGKOK POST in English 29 Apr 95 p 3

[Report by Atchara Asayakachat, Chatrudi Thepharat, and Wichit Sirithawiphon in Phuket]

[FBIS Transcribed Text] After a lengthy discussion ASEAN Economic Ministers (AEM) agreed that ASEAN should adopt a more unified stance within the Asia Pacific Economic Cooperation (APEC) forum in the future according to the chairman of the recent AEM retreat meeting, Dr Suphachai Phanitchaphak.

It was time for ASEAN to assume its role as the core of APEC, as the former was well established when APEC had just been initiated, adding that the grouping should adopt a collective stance in the forum, he said.

The AEM emphasised that ASEAN should follow the "Bogor Vision Statement" made by their leaders, which claimed that ASEAN would adhere to the commitments of the Uruguay Round for an initial period. But the ministers did not agree to move forward the schedule.

The meeting of APEC leaders held in November last year in Jakarta agreed that the schedule for liberalisation programmes in developed member countries be set for the year 2010 and for developing countries by the year 2020.

"We arrived at a common agreement that the free rider issue (countries that enjoy preferential privileges regarding taxes and tariff reductions without giving back to the providers) would be a major bone of contention if we proceeded with APEC's programme of liberalisation," said the deputy prime minister.

Dr Suphachai explained that if not well clarified, the work programme may turn out to be a compulsory measure and that the advanced economies of APEC may implement liberalisation unilaterally.

The AEM meeting also discussed links between ASEAN and the Close Economic Relations (CER) group comprising Australia and New Zealand. The economic ministers of ASEAN and CER held their first discussions in Chiang Mai last September during the Policy Exchange Mechanism talks.

"The ASEAN, SEOM [Senior Economic Officials Meeting] and CER talks mainly focused on the facilitation of trade including cooperation in the exchange of information, human resource development, customs procedures, policies of competition and the facilitation of investment among others. We have decided to set an AEM-CER consultation agenda at the meeting in Brunei this September," said Suphachai.

He insisted the Brunei round would only take the form of consultation, and not dialogue.

Regarding the cancellation of the ASEAN, Japan, Korea and China meeting (6+3) which had earlier been scheduled to start tomorrow, Dr Suphachai said it was unfortunate that Japan had not taken the opportunity to independently talk with ASEAN member nations.

"The 6+3 meeting was never meant to be an East Asian Economic Caucus (EAEC) which Japan is afraid to join. The meeting could have dealt with non-trade issues such as human resource development and so on. So Japan should not worry so much," said Dr Suphachai.

Japan had said it would join the meeting if Australia and New Zealand were also invited, but Brunei disagreed with the idea.

The ASEAN-EU summit, initially scheduled to be held in Thailand in late December this year, has now been postponed until the first quarter of next year.

Dr Suphachai said the agenda included political, security and economic issues.

ASEAN's future in the next century, which will be the theme of the summit in Bangkok in December, was also discussed at the retreat meeting, Dr Suphachai said.

"Several ideas came up such as economic integration, the dismantling of borders and closer economic relations. But all we intend to strive for is profound cooperation among ASEAN members," he said.

Thailand, the host of the fifth ASEAN summit, has started its soft push of the delicate idea of deeper economic cooperation among ASEAN members since the second AEM retreat meeting yesterday.

ASEAN sees itself in the 21st century as becoming a grouping free from poverty with an emphasis on preserving the environment and well-being of its people.

However, Dr Suphachai admitted that several tasks still needed to be tackled to set guidelines for the ASEAN summit.

What has become a vision statement for the summit will be finalised during a Joint Ministerial Meeting between the Foreign and Economic Ministries just prior to the summit, he said.

Japan

Vice Minister Rejects U.S. Auto Parts Goals

OW0205125595 Tokyo KYODO in English 1243 GMT 2 May 95

[FBIS Transcribed Text] Nagoya, May 2 KYODO—A senior official at the Ministry of International Trade and Industry (MITI) on Tuesday [2 May] reiterated Tokyo will reject a U.S. request that Japan establish voluntary targets in purchasing U.S. auto parts.

Tomio Tsutsumi, vice MITI minister, told a news conference that such targets would "discourage bilateral negotiations in auto and auto parts trade under way" and result in managed trade.

The issue is fueling an intensifying bilateral trade dispute over the sector. Washington is pressuring Japanese automakers to formulate voluntary programs to purchase U.S. auto parts in addition to parts-purchasing plans set up in April 1994. The final years for those plans fall between 1995 and 1997.

The United States posted a 36 billion dollar deficit in auto and auto parts trade with Japan last year, accounting for some 60 percent of the bilateral trade imbalance.

Both countries are making last-ditch efforts to dodge a trade war in the sector, the only one still unresolved among the three priority issues in the so-called framework trade talks.

Washington has threatened to impose punitive tariffs on Japanese imports in retaliation for alleged unfair business practices known as "keiretsu," or interlocking shareholding among major companies in the auto parts market.

MITI chief Ryutaro Hashimoto left for Vancouver to meet Wednesday with U.S. Trade Representative Mickey Kantor in a bid to break the impasse in trade talks, which have been deadlocked for nearly 20 months.

Poll: Americans' Image of Japan Said Improving

OW2904121095 Tokyo KYODO in English 0809 GMT 29 Apr 95

[FBIS Transcribed Text] Tokyo, April 29 KYODO—Japan's image in the United States has improved over the past year, with a majority of the people surveyed considering Japan as a "dependable ally," according to an opinion poll released Saturday by the Foreign Ministry.

The poll, conducted by telephone on 1,882 adults, found that more respondents looked at Japan in a favorable light than in the previous survey conducted last year.

Interviews were conducted on 1,502 citizens and 380 opinion leaders, including top business executives, government officials and scholars.

The results show that 54 percent of the surveyed citizens considered Japan as "a dependable ally and a friend of the U.S.," up from 43 percent last year. Among the opinion leaders, the percentage was 81 percent, up from 74 percent last year.

As main reasons for considering Japan a trustworthy ally, those surveyed cited economic relations and Japan's investment.

Respondents considering Japan as undependable were 33 percent among citizens and 14 percent among the opinion leaders, the survey showed.

Japan's attack on Pearl Harbor and the "aggressiveness" of the Japanese people were cited as top reasons the surveyed citizens considered Japan untrustworthy. Among the opinion leaders, the main reason cited was that Japan seems only concerned about its own interests.

In the poll, Japan was cited by the respondents as the most important partner of the U.S. among Asian countries because of its strong trade relations with the U.S.

The study found that 41 percent of the surveyed citizens saw the present level of cooperation between Japan and the U.S. as either excellent or good, up 15 percentage points from the previous year, while 57 percent of the opinion leaders thought so, marking an increase of 21 percentage points.

A ministry official, in analyzing the new poll, said he thinks the improvement in trade and economic relations between Tokyo and Washington over the past year has led to an improvement of Japan's image in the U.S.

Japan's image may have been particularly negative around the time of the previous poll, since it was conducted in February 1994 when trade tensions were mounting following the collapse of the trade "framework" agreement during the summit meeting between U.S. President Bill Clinton and then prime minister Morihiro Hosokawa, the official said.

While more than half of the respondents, both among citizens and opinion leaders, thought the current trade imbalance between Japan and the U.S. was due to market access problems in Japan, the percentage was lower than the previous year, the survey said.

The polled citizens citing Japan's closed market as the cause of the friction was 58 percent, down 4 percentage points from the previous survey, while 53 percent of the opinion leaders thought so, down 9 points.

Those giving a positive light to bilateral ties since the end of World War II accounted for 67 percent among the citizens and 94 percent among the opinion leaders, the study said.

On whether Japan is playing an international role commensurate with its economic power, 68 percent of citizens polled and 51 percent of opinion leaders thought Japan is performing up to par. (endall) 290809 badgley DB132904.008 my 29/1211

Nuclear Weapons Awareness in U.S. Discussed

OW2804133295 Tokyo KYODO in English 1202 GMT 28 Apr 95

[FBIS Transcribed Text] Hiroshima, April 28 KYODO—Members of a nationwide organization opposed to atomic weapons said Friday [28 April] upon retur1?from a visit to the United States that they were disappointed at the lack of awareness there about nuclear weapons.

Akira Ishida, who led a delegation from the Hiroshima branch of the Japanese Communist Party-affiliated Japan Council Against Atomic and Hydrogen Bombs (Gensuikyo), sqid there is a "frightening degree of lack of interest" in nuclear weapons in the U.S.

The delegation visited New York this week to lobby against an indefinite extension of the nuclear Nonproliferation Treaty (NPT). It attended a forum of nongovernmental organizations and citizens' groups timed to coincide with an international conference debating a possible indefinite extension of the NPT.

But Ishida said the delegation received no media coverage while in New York.

Ishida said he was concerned at the way the five declared nuclear powers are setting the pace for debate at the conference.

Gensuikyo opposes an indefinite extension of the treaty unless there are clear time limits on the nuclear powers for the elimination of their nuclear arsenals.

AcknowMedging that the World War II atomic bombings of the Japanese ties of Hiroshima and Nagasaki "are past events," Ishida said he is concerned for the future of the antinuclear weapons movement if it no longer contains activists who were victims of the atomic bombings.

Japan and the U.S. are among those supporting an unlimited extension of the 25-year-old treaty, which expires this year.

The treaty commits nonnuclear states to never acquire or produce nuclear weapons but permits the nuclear powers—Britain, China, France, Russia and the U.S.—to retain them.

The U.S. dropped atomic bombs on Hiroshima on Aug. 6 and Nagasaki on Aug. 9 in 1945 in the closing stages of the war.

Editorial Previews Tamazawa-Perry Security Talks

OW0205055495 Tokyo YOMIURI SHIMBUN in Japanese 2 May 95 Morning Edition p 3

[Editorial: "Security Dialogue To Strengthen Japan-U.S. Security Alliance"]

[FBIS Translated Text] After the collapse of the Cold War structure, there has been active discussion both in Japan and the United States on the future of the bilateral security arrangement. Recently, a small number of people have begun to advocate the abrogation of the Japan-U.S. security pact on the ground that "unlike the era of U.S.-Soviet confrontation, there is no longer any threat to security."

However, the international environment around Japan—for instance, on the Korean peninsula—tells us that now is precisely the time to reaffirm the significance of the security setup, and to confirm the need to make it even more meaningful.

The "redefinition" of the Japan-U.S. security alliance is the main item on the agenda during the bilateral defense chiefs' meeting between Defense Agency Director General Tokuichiro Tamazawa and Defense Secretary William Perry in Washington on 2 May.

Japan and the United States plan to announce a blueprint for future cooperation in a joint communique to be issued after a Japan- U.S. summit meeting when President Bill Clinton comes to Japan for the Asia-Pacific Economic Cooperation (APEC) conference in Osaka in November. Needless to say, the centerpiece of this communique will be the Japan-U.S. security arrangements.

The Tamazawa-Perry meeting is significant in that it will start the process of finalizing the details of the "redefinition of the Japan-U.S. security treaty" to be included in the joint communique. In that sense, this defense chiefs' meeting will be a milestone in the process of renovating bilateral relations for the 21st Century. We hope that a candid exchange of views will be held.

The U.S. Defense Department issued a "Strategic Report on East Asia" in late February, laying out the United States' security strategy for East Asia and the Pacific.

Stressing that uncertainty in the region still exists, such as the DPRK's (North Korea) development of nuclear arms, the report states: 1) U.S. Forces will maintain their military capability in East Asia and the Pacific even in the 21st Century; and 2) The Japan-U.S. security alliance forms the basis of U.S. security policy in the region, and is a crucial factor for peace and stability in East Asia.

For a time, there had been concern that the United States might reduce its military forces in East Asia in view of the changes brought about by the end of the Cold War. The Japanese Government immediately expressed its satisfaction with and positive appraisal of February's U.S. report. Director General Tamazawa will reiterate directly Japan's opinion to the United States. Both sides are expected to confirm that "the significance of the Japan-U.S. security agreement remains unchanged in the post-Cold War period."

At present, the Japan-U.S. relationship is marred by economic frictions. In some aspects, this relationship is not entirely cordial. However, this should not be allowed to affect the security alliance, which is the crucial link between the two countries.

At a time like this, confirmation of a common perception based on the U.S. report will be important for elevating the relationship of trust between the two countries.

Furthermore, considering the fact that the Japan-U.S. security alliance is indispensable not only for Japan's security, but also for the stability of Asia and the Pacific, such confirmation will be welcomed by other countries in the region.

During the Tamazawa-Perry meeting, the return of U.S. military facilities in Okinawa Prefecture, the signing of an acquisition and cross-servicing agreement (ACSA), the exchange of defense technology and other issues of bilateral defense cooperation will also be addressed. Although it will be impossible to reach a final conclusion, it will be important to make whatever progress possible.

Tamazawa, Anthony Lake Meet on Security Issues

OW0205023395 Tokyo KYODO in English 0153 GMT 2 May 95

[FBIS Transcribed Text] Washington, May 1 KYODO—Japan's Defense Agency head Tokuichiro Tamazawa met the U.S. President's Assistant for National Security Affairs, Anthony Lake, at the White House on Monday [1 May], and discussed a range of security issues, Japanese officials said.

Tamazawa told Lake that the role of the U.S.-Japan Security Treaty has changed in the post-Cold War era, and refers its contribution to the stability of the world through its helping to establish stability in Asia, the officials said.

Japan's Defense Agency, in its review of the treaty, describes the pact as an indispensable framework for Japan to support U.S. activities to maintain world stability.

Tamazawa expressed his concern over China's military build-up, saying that Beijing's intention is unclear. He also noted that China continues to test nuclear devices, the officials said.

They said the Defense Agency head also said that if a conservative takes power in Russia, it could pose a big threat to Japan as much of Russia's military power is based in its far east.

He added that Japan will make its utmost efforts to promote confidence-building measures through security talks with China and Russia.

Tamazawa and Lake also discussed the talks between the United States and North Korea on the latter's acceptance of new nuclear reactors to replace older models which are more capable of producing weapons-grade plutonium.

Lake welcomed Pyongyang's acceptance of a U.S. proposal for upgrading the stalled talks, but said the negotiations will be tough and close consultations among Japan, the U.S. and South Korea are essential, the officials said.

They said Lake reiterated U.S. hopes that North Korea will adopt South Korean-type light water reactors.

Tamazawa said that Japan will support the U.S. position on the matter, the officials said.

Okinawa Governor Previews U.S. Lobbying Tour

OW0105014795 Naha RYUKYU SHIMPO in Japanese 25 Apr 95 Morning Edition p 2

[FBIS Translated Text] During his lobbying tour to the United States on U.S. military base issues next month, Governor Masahide Ota will state that he intends to response realistically to plans for moving U.S. facilities within the prefecture if the Japanese and U.S. Governments can agree on relocation plans, in order to facilitate solutions to the return of the Naha Military Port and two other pending issues.

In this connection, Mayor Katsuhiro Yoshida of Kin Town, who will be a member of Ota's delegation, has expressed his opposition to the proposed relocation of parachuting exercises from Yomitan Village to Camp Hansen. While the upcoming U.S. visit will be made amid increasing feasibility of resolving Okinawa's three pending issues, differences between the positions of the prefectural and local governments may also emerge.

Senior officials of the prefectural government revealed Okinawa's basic position on 24 April that if the meeting between the defense chiefs of Japan and the United States, Defense Agency Director General Tokuichiro Tamazawa and Defense Secretary William Perry, scheduled for early May results in the identification of definite relocation sites, "(we cannot ignore this); we will have to take into consideration the overall situation in making a decision and coming up with our response."

The fact that Ota's mission to the United States will come after the Japan-U.S. defense chiefs' meeting has given rise to cynicism among some prefectural assembly members, who ask: "It is unthinkable that the U.S. Government will tell the head of a local government what it cannot say during diplomatic negotiations with the Japanese Government. The governor's visit to the United States without deciding on his position on the Japanese Government's proposed solutions to the three pending issues will probably only be a political show." (according to Josei Shimoji, chairman of the Prefectural Assembly's U.S. Military Bases Special Committee)

Reacting to this, senior Okinawan officials reiterated the necessity of solving the three issues by saying: "The solution of the three issues is the centerpiece of lobbying activities. If definite relocation sites are announced before the trip, we will have to argue for our position based on the overall requirements of the development of Okinawa, while also conveying the localities' opposition."

These officials further said, "Even if the relocation sites are identified, there will be a variety of possibilities with regard to the land area of these sites and how they will be used [as military facilities]. In any case, there will be no regression from the meeting between the governor and Director General Tamazawa in February." They seemed to more confident than usual.

The Okinawa government attaches importance to persistent direct petition with the U.S. Government and members of Congress to convey the local people's sentiments. It believes that, "If only to serve as a link to the issue of the Futenma Air Station and other problems that will come after the three pending issues, it is important to continue visits to the United States."

Editorial on Shouldering U.S. Bases Expenses

OW2804125895 Naha RYUKYU SHIMPO in Japanese 17 Apr 95 Morning Edition p 5

[Editorial: "Payment of U.S. Forces Bases Expenses Needs To Be Reviewed"]

[FBIS Translated Text] The Defense Agency [DA] has decided to maintain the present level of support for U.S. Forces Japan expenses beginning fiscal 1996 and rejecting U.S. demands to increase Japan's burden sharing. How will the United States react to this decision and what impacts will the decision have on the military bases actual operations? It seems most likely that this decision will lead to a new issue in future relations between the two countries. We have special concerns over this issue because things are developing toward the review of the Japan-U.S. Security Treaty this year, which marks the 50th anniversary of the end to the last war.

The government has so far persisted in complying with requests to shoulder additional costs for U.S. Forces stationed in Japan. This will be the first turnaround from the long-standing policy in 18 years.

It is observed that the United States will probably indicate its strict position toward the DA decision and strongly demand reconsideration. The United States has not changed its persistent position of asking Japan to pay as much as possible for maintaining U.S. military bases in Japan. This is due to the "domestic situation," in which the U.S. Government has been forced to reduce its defense budget because of deteriorated financial conditions. However, it is also probably because the United States has not changed its position of continuing reliance on Japan's generous burden-sharing as indicated by the "consideration budget" [the most generous host-nation support], which has been enforced since fiscal 1978. Moreover, it is probably because the United States has based its requests on an argument that since it has protected Japan and guaranteed its security for a half century now, it is naturally entitled to request compensation. It is true that Japan has attained its economic prosperity under the U.S. umbrella.

While stressing the importance of its bilateral relations with Japan in its recently released, "Strategy for Regional Security in East Asia and the Pacific," the United States speaks highly of Japan as a generous ally that has supported U.S. military bases by providing over $4 billion a year.

However, is it desirable for Japan to be continuously affected by U.S. defense and overseas military bases policies? The time has now come for Japan to reconsider this issue. The U.S. military bases that are concentrated on Okinawa may have contributed to Japan's security, but these bases must have been useful in developing the U.S. strategy in the Far East, and must have contributed greatly to U.S. interests.

Looking back on Japan-U.S. relations of 40-50 years ago, there is no denying that one was the victor and the other the loser in a war. However, the loser soon became independent and the two signed the Japan-U.S. Security Treaty. At that time, there was a threat from the Communist bloc with the Soviet Union playing the leading role and the world was permeated with the Cold War. It was with this background that the treaty was signed.

The Cold War between the East and the West has now ended and there is hardly any threat from the [former] Soviet Union. It is questionable as to whether the Japan-U.S. Security Treaty signed during the Cold War really conforms to the actual situation at present.

While trying to suppress the increase of payment for U.S. military bases, the DA emphasizes its stance of attaching importance to the Japan-U.S. security arrangements even following the end of the Cold War. However, in order not to further foster the U.S. position of "depending on Japan because of low costs of stationing its forces in Japan," and also for the sake of taking Japan's genuine national interests into consideration, the government is advised to take advantage of this opportunity to study not only the issue of sharing additional costs of U.S. Forces stationed in Japan but also the issue of reducing defense spending for the two countries by taking such measures as realignment and reduction of military bases. It is hoped that the review of these issues will also lead to a review of Japan-U.S. security arrangements.

Furthermore, it is hoped that appropriate prior measures will be taken so that the review will not bring about any impediments to the return, realignment, or reduction of U.S. military bases on Okinawa.

Tokyo To Cooperate With U.S. in Peacekeeping

OW2804131395 Tokyo KYODO in English 1247 GMT 28 Apr 95

[FBIS Transcribed Text] Tokyo, April 28 KYODO—In a major policy turnaround, Japan plans to increase cooperation with the United States in implementing UN peacekeeping operations as proposed by Washington last year, government officials said Friday [28 April].

Defense Agency Chief Tokuichiro Tamazawa will inform U.S. Defense Secretary William Perry of the decision when they meet in Washington on Tuesday, the officials told KYODO NEWS SERVICE.

Japan so far has committed its Self-Defense Forces (SDF) to peacekeeping operations on its own, separate from other countries.

But Tokyo intends to join hands with the U.S. for mutual supplies of fuel and other materials and equipment for such missions. They will also join in patrols during election monitoring, the officials said.

Tamazawa will ask Perry to provide information about UN peacekeeping activities in the Israeli-held Golan Heights should SDF personnel be dispatched as requested by the United Nations, they said.

The world body wants Japan to send personnel to replace 50 Canadian members of the Syria-based UN Disengagement Observer Force (UNDOF), whose transport duties are to expire in October.

The Liberal Democratic Party, the largest party of the three ruling coalition partners, favors participation in the UNDOF, while the Social Democratic Party and New Party Sakigake remain undecided.

Editorial Urges U.S., SRV To Normalize Ties

OW0105140195 Tokyo MAINICHI SHIMBUN in Japanese 30 Apr 95 Morning Edition p 5

[Editorial: "The United States and SRV Should Normalize Diplomatic Relations Quickly"]

[FBIS Translated Text] The "fall of Saigon" brought the Vietnam war to a conclusion, and 30 April will mark the 20th anniversary of that event.

The Vietnam war—during which the United States, a superpower, was trifled with by Vietnam, a small country—will be engraved in history for the fact that the international community was forced to accept that liberating the Vietnamese people was a just and righteous cause in this war.

The war, which lasted over 10 years from the early 1960's, not only devastated the land but also caused tremendous bloodshed.

However, three years after the end of the war, Vietnam invaded Cambodia. Peace was not established in the country until Vietnam completely pulled out its forces from Cambodia in 1989 and the Cambodian Peace Treaty was signed in 1991.

Currently, Vietnam is amassing the entire country's efforts toward promoting the "doi moi" (renovation) policy aimed at opening up its economy by introducing the market economic system. With the successful implementation of the policy, the country has achieved rapid economic growth and is finally treading the path of post-war reconstruction.

Regarding foreign affairs, Vietnam established diplomatic relations with the PRC in 1991. While continuing to strengthen its ties with ASEAN nations, Vietnam is turning in all directions to actively expand its relations with other countries. This month, SRV Communist Party General Secretary Do Muoi visited the ROK and Japan. In July, Vietnam will finally become a member of ASEAN.

The greatest remaining task for Vietnam is to normalize diplomatic relations with the United States. In February 1994, the United States lifted economic sanctions it had imposed against Vietnam for about 30 years, which includes the time it imposed sanctions against North Vietnam during the days when the country was divided. Last January, liaison offices were set up in the United States and Vietnam. Matters have reached a point where what remains now is for the two countries to formally exchange ambassadors.

During his recent visit to the PRC, Do Muoi said: "We want to overcome the past, and hope to normalize diplomatic relations with the United States at the earliest possible opportunity."

Meanwhile, the United States has been unable to completely free itself of past vexations. The Vietnam war was one in which the United States suffered defeat not only in the military aspect but also over morality. The American people have still not been able to recover from their humiliation. Such sentiments seems to be casting a subtle shadow over negotiations between Vietnam and the United States, and are hampering the final push toward normalizing diplomatic relations.

It is our desire that Vietnam and the United States reconcile by transcending love and hate, and proceed toward normalizing diplomatic relations. Once again, we express our hope that the United States and Vietnam promptly normalize diplomatic relations so that peace and stability may be preserved in Southeast Asia.

Regarding Japanese-SRV relations, there are apparently many Japanese who have special feelings about Vietnam. As far as their feelings are concerned, the Japanese people consider that Vietnam is one of the countries about which they feel most intimate.

Apparently reflecting such an atmosphere, a certain degree of a Vietnam boom has emerged in Japan. Handbooks on investment, tour guides, and new Vietnam-related publications line display shelves in book stores.

Last November, direct flights connecting Japan and Vietnam were resumed, and more and more Japanese are said to be visiting Vietnam.

Although the country has achieved rapid economic growth, Vietnam's gross national product (GNP) is merely about $200, making it one of the poorest countries in the world. The greatest impending task that Vietnamese leaders are now facing is how to satisfy the people who are beginning to demand affluence.

The fact that Do Muoi chose to visit Japan first among the major industrialized nations shows how much Vietnam expects of Japan. Thus, Japan should have no reservations about extending aid to Vietnam, which is still on the path to recovery even though 20 years have passed since the end of the Vietnam war.

Tokyo To Study U.S. Sanctions Against Iran

OW0205104895 Tokyo NIHON KEIZAI SHIMBUN in Japanese 1 May 95 Evening Edition p 1

[FBIS Translated Excerpt] [Passage omitted describing the U.S. imposition of sanctions against Iran] The U.S. Government has formally announced sanctions against Iran. In response, the Foreign Ministry says, "At the present stage, the Japanese Government has yet to receive any formal notice from the U.S. Government." The Japanese Government plans to cautiously study ways to deal with the U.S.-imposed sanctions against Iran while watching how European and other nations react to the U.S. Government's decision to impose the sanctions. A senior official at the Ministry of International Trade and Industry says, "it is difficult for Japan to join the sanctions unless an international agreement is reached on imposing them against Iran." Japan relies on Iran for 9.7 percent of its oil imports, and if Japan is pressured by the United States into participating in the sanctions against Iran, this would affect Japan's economy. The resumption of Japan's yen loans to Iran has been a pending issue, and the possibility has emerged that Japan will be pressured by the United States into suspending them.

The Japanese Government's plan is that when the United States asks Japan to go along with Washington on sanctions against Iran, it will cautiously deal with the request, saying, "Japan has diplomatic relations with Iran and its position is different from that of the United States, which has no diplomatic relations with that country." In 1994, Japan exported $641 million in goods and services to Iran and imported $28.2 billion in them, thus showing Japan's large trade deficit with Iran. Oil accounted for more than 90 percent of Japan's imports from Iran, which is Japan's third-largest oil supplier, behind the United Arab Emirates and Saudi Arabia. The U.S. imposition of sanctions against Iran at a time when oil prices are on the rise is raising fears that Japan would face difficulties procuring oil from abroad.

Like Germany, Japan has maintained a smooth trade and investment relationship with Iran. Japan has hoped to play the role of assisting moderates in Iran and of heading off confrontation between Iran and its neighboring nations. The Foreign Ministry is at a loss over how firmly the United States will ask Japan to join the sanctions. The Japanese Government plans to take concerted steps with European nations in the future.

Private Firms on U.S. Trade Embargo With Iran

OW0205135595 Tokyo NIHON KEIZAI SHIMBUN in Japanese 2 May 95 Morning Edition p 11

[FBIS Translated Text] In connection with the U.S. decision to completely ban trade with Iran, the recovery of Iran's debts owed to 18 Japanese private firms, including trading companies, has emerged as a major pending issue. Firms have remained cool about the matter, saying: "It is inconceivable that this will immediately affect Iran's payment of its debts to Japanese companies" (as stated by an official at a major trading company). However, it is expected that depending on how the Japanese Government handles the matter, Iran may further delay its payment.

Iran has concluded two payment contracts with Japanese firms, called "Oil Schemes." The matter for concern is what will happen to the "Second Oil Scheme," which was concluded in June 1994 for 256.7 billion yen. With this contract, Japanese traders allowed Iran to defer part of its payment, which was due in March 1994. A total of 18 Japanese firms, including medium and small trading companies, as well as major trading companies, are involved in this contract.

According to concerned Japanese officials, Iran is to start making payments from January 1996 and complete payment in June 1999. The country has reportedly promised to appropriate its revenue from oil sales toward this payment. However, if the U.S. trade ban is prolonged, it would inevitably affect Iran's payment to the Japanese firms. Moreover, should the Japanese Government decide to participate in the embargo in one form or another, Iran may use that as an excuse to demand further deferment of its payments.

Technology Sales to Iran Unconfirmed

OW0205104195 Tokyo KYODO in English 0953 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—Japan's International Trade Ministry said Tuesday [2 May] it could not immediately confirm reported sales of sophisticated technologies to Iran by Japanese companies.

A confidential U.S. document, unveiled at a congressional seminar Monday, said six Japanese companies have sold Iran sensitive technologies which could be converted for military use.

"No official information has been supplied by the United States and we have no evidence to substantiate the report," said an official at the Ministry of International Trade and Industry.

The revelation followed a decision by U.S. President Bill Clinton to order a ban on U.S. business ties with Iran, which was described as an "outlaw state."

The official, who wished to remain anonymous, said Japan has not yet been informed of the U.S. decision against the Middle East nation.

The officials said the Japanese Government will try to collect information as to the concerted action requested by Washington from its allies.

Early Resumption of Talks With DPRK Unlikely

OW0105142295 Tokyo NIHON KEIZAI SHIMBUN in Japanese 1 May 95 Morning Edition p 2

[FBIS Translated Text] A situation has been created in which it will be difficult to resume the stalled Japan-North Korea normalization talks at an early date. North Korea has made no response to calls from the Japanese Government for informal contacts and the U.S.-North Korea talks on the supply of light-water reactors to Pyongyang remain deadlocked. The Japanese Government's plan to "break the deadlock in Japan-North Korea relations in keeping with progress in the U.S.-North Korea talks" has been scuttled. The Japanese Government, which originally aimed at resuming the stalled Japan-North Korea normalization talks, is now unable to even set the timing for resumption of the talks because the future of the U.S.-North Korea talks remains uncertain. The Japanese Government at first planned to create a climate for resuming the stalled talks while watching North Korea's response to such calls.

In late March, a delegation of three ruling coalition parties signed a four-party agreement with the Workers' Party of Korea on "early resumption of the stalled Japan-North Korea normalization talks." In mid-April, the Japanese Government sounded out North Korea about resuming the intergovernmental talks on the normalization of diplomatic relations between Tokyo and Pyongyang through informal contacts made by Japanese and North Korean diplomats from their embassies in Beijing. At the time, the North Korean diplomats said: "We will consult with our home government." North Korea has since made no response to calls from the Japanese Government for resuming the stalled intergovernmental talks. Tokyo and Pyongyang are not yet at the stage of discussing even the agenda, schedule, or venue.

The cause of this delay in resuming the stalled normalization talks is the deadlock over the supply of light-water reactors in the U.S.-North Korea talks. Administrative Vice Foreign Minister Saito said: "The Japanese Government is not linking the timing of resumption of the stalled normalization talks with the U.S.-North Korea talks." The Japanese Government has taken the position that it will resume talks with North Korea irrespective of progress in the U.S.-North Korea talks. The Japanese Government has taken that position out of consideration for the visit to Pyongyang by the delegation of three ruling parties. In fact, however, it is only common sense to think that the U.S.-North Korea talks and Japan-North Korea normalization talks are inseparably linked. A senior Foreign Ministry official said: "If there is no progress in the U.S.-North Korea talks, it will be impossible for Japan to resume stalled normalization talks with North Korea."

A U.S.-North Korea expert-level meeting, held in Berlin, ended with no deal being struck, and the United States has proposed holding vice ministerial talks. But North Korea has refused to accept the South Korean-built light-water reactors that Japan, the United States, and South Korea see as a prerequisite for the light- water reactor project. North Korea is now employing "brinkmanship" by repeatedly hinting at the possibility that it will reload fuel rods into the 5-megawatt experimental reactor, the operation of which remains frozen.

If Japan resumed stalled normalization talks with North Korea under this situation, this would incur a backlash from Washington and Seoul, and disrupt the cooperative relationship among Japan, the United States, and South Korea. This would also cause a rift among the three nations as Pyongyang had hoped. A majority of Foreign Ministry officials take the view that "it is undesirable for Japan to resume the stalled talks with North Korea before discerning the future of the U.S.-North Korea talks," (says the same senior Foreign Ministry official).

The focal point in the U.S.-North Korea talks is whether North Korea will go along with the U.S. call to hold vice ministerial talks. North Korea plans to hold the Pyongyang International Sports and Cultural Festival for Peace by 7 May and the vice ministerial talks are expected to be held after mid-May. As a condition for holding the vice ministerial talks, "North Korea has reportedly sought concessions from the United States" and the possibility is slim that North Korea will go along with the U.S. call for holding vice ministerial talks. If there is no change in North Korea's stance of "excluding Seoul," no concrete headway can be expected from the vice ministerial talks even if they are held. A top Foreign Ministry official said: "I do not know when the stalled normalization talks will be resumed." It seems that this state of affairs will continue for the time being.

ROK Repeats Hope for No-War Resolution in Diet

OW0105130795 Tokyo KYODO in English 1151 GMT 1 May 95

[FBIS Transcribed Text] Seoul, May 1 KYODO—South Korean politicians on Monday [1 May] reiterated their hopes that the Japanese Diet will adopt a resolution foreswearing war to mark the 50th anniversary of the end of World War II.

South Korean Foreign Minister Kong No-myung and the head of the Korea-Japanese Parliamentarian's Union, Kim Yun-whan, made the request in talks with a Liberal Democratic Party (LDP) mission led by Taku Yamasaki in Seoul.

Yamasaki, who chairs the LDP's Diet Affairs Committee, said Kim urged that the resolution refer to Japan's war responsiblities in a way that South Koreans can accept.

Kim reportedly said that expressions such as those of Japan's "deep regret" over its war atrocities and 1910-45 colonial rule over the Korean peninsula do not go far enough, but leave an ill feeling.

"It would be ok to say something to the effect of getting over the past. We want to quickly straighten out the past," Kim was quoted as saying.

Kim suggested that the resolution sum up statements of remorse issued by Japanese Governments over the past decades. He queried, "wouldn't that be a method to restate all that again in the Diet," according to Yamasaki.

Discussing North Korea, the foreign minister hinted that the North's de facto leader Kim Chong-il could officially assume his late father's post of president and party leader in the fall.

Kong said reports that Pyongyang has asked Syrian President Hafiz al-Assad to schedule his planned North Korea visit "after September" seem to indicate that Kim could be officially proclaimed the new leader around that time.

Pyongyang's response to Washington's proposal to hold another round of high-level talks to resolve the standoff over the provision of South Korean-model light-water nuclear reactors to the North might come later this week, upon North Korean Foreign Minister Kim Yong-nam's return from Indonesia, Kong said.

ROK's Pak Calls for More Investment

OW2704065595 Tokyo KYODO in English 0453 GMT 27 Apr 95

[FBIS Transcribed Text] Tokyo, April 27 KYODO—South Korean Trade Minister Pak Chae-yun asked Japan on Thursday [27 April] to expand direct investment in South Korea, Japanese officials said.

In a meeting with Prime Minister Tomiichi Murayama, Pak called for higher investment by Japanese firms in the machinery and electronics sectors, the officials said.

Park was also quoted as requesting stepped-up industrial cooperation between Japan and South Korea.

Murayama replied that it is good to see South Korea is expecting more investment by Japanese supporting industries, the officials said.

The prime minister asked South Korea to improve its investment climate for foreign businesses.

ROK's Pak To Welcome Firms Moving Production Bases

OW3004105795 Tokyo NIHON KEIZAI SHIMBUN in Japanese 29 Apr 95 Morning Edition p 7

[FBIS Translated Text] Pak Chae-yun, visiting trade and industry minister of the ROK, in an interview with a NIHON KEIZAI reporter on 28 April, said Korea wants to take "comprehensive measures to address the strong yen" in order to contain the further increase of trade deficit with Japan as a result of the recent yen hike.

The main points of the measures are to introduce Japanese enterprises into Korea, to foster machinery and part production industry by encouraging domestic production of machinery and parts, and to provide support to the companies exporting their products to Japan. Since ROK industries are considerably dependent on Japan for parts and machine tools, drastic yen appreciation can lead to an immediate increase of trade deficits with Japan. Pak said: "Once Japanese companies move their production to Korea and it becomes clear that trade deficits will diminish, Korea's deregulation on import controls will speed up." Apparently, the ROK wants to use the strong yen situation in promoting industrial restructuring rather than to resort to the strategy of stepping up control on imports as has been done in the past.

The highlight of the enterprise inducement program is the industrial complex for foreign companies, which is now under construction in Kwangju City and Chonan City in western Korea. The companies operating in this area will be exempt from the government rule on diversifying sources for imports of raw materials—the rule intended to effectively restrict imports of materials from Japan. Minister Pak added: "The companies there will be exempt from the land rents for five years, and they will be given priority in supply of workers which will include foreign workers." Concrete measures including favorable tax treatment will be worked out soon.

In separate actions, the minister said, the government will select 660 companies from among those which export to Japan more than half of what they export overseas, and which export more than $1 million dollars worth of products to Japan annually, and will name them as "companies specializing in exports to Japan." These companies will be given support on quality improvements and marketing activities from the government. As far as the machinery and parts, which are heavily dependent on imports, are concerned, the government will make particular efforts to encourage that they be locally produced.

Ministry Reports Flourishing Regional Cooperation

OW2804020895 Tokyo KYODO in English 0112 GMT 28 Apr 95

[FBIS Transcribed Text] Tokyo, April 28 KYODO—Regional cooperation flourished in 1994 as the international community continued a search for a new world order in the post-Cold War era, the Foreign Ministry said in an annual report released Friday [28 April].

In an evaluation on global affairs in 1994, the "Diplomatic Bluebook 1995" said the international community faced great uncertainties and was unable to set of framework for peace and prosperity.

A myriad of challenges plagues the world, such as regional conflicts stemming from ethnic, religious or historical rifts, aids and the population, the report said, but there were also some positive developments.

Positive developments in 1994 included the nuclear accord between North Korea and the United States, progress in the Mideast peace process and economic recoveries in industrialized nations, it said.

The bluebook said advancement in regional cooperation, especially in the Asia-Pacific area, was particularly notable.

The Asia-Pacific Economic Cooperation (APEC) forum in Indonesia, which set 2020 as a deadline for transforming the world's booming market into a free trade zone, illustrates the trend of increased regional cooperation, the report said.

In the same vein, it also cited the security dialogue by the Association of Southeast Asian Nations (ASEAN) Regional Forum (ARF).

It encouraged Japan to play an active role in furthering cooperation in the Asia-Pacific region, especially since the nation will chair the APEC forum in Osaka this autumn.

However, the report did not mention the Malaysian-proposed East Asia Economic Caucus (EAEC) as Japan's position on the plan is still being deliberated, according to a ministry official.

Japan has remained noncommittal mainly since the U.S. opposes the EAEC, preferring to see economic cooperation through the 18-member APEC.

Regarding other cooperative moves, the report pointed to the Conference on Security and Cooperation in Europe (CSCE), which changed its name to the Organization for Security and Cooperation in Europe (OSCE) in a bid to enhance its role.

Also mentioned were steps toward economic unification taken by North and South America following enactment of the North American Free Trade Agreement (NAFTA) in January 1994.

Although it is meaningful that countries with similar interests cooperate to tackle political and economic problems, such steps should also have a global impact, such as at the United Nations and other international organizations and multilateral bodies, the report said.

The bluebook urged Japan to face up to its past involvement in Asian nations, with 1995 marking the 50th anniversary of the end of World War II. Such acceptance of responsibility should stem from Japan's project to promote regional peace unveiled by Prime Minister Tomiichi Murayama last summer.

The report said Japan should make utmost efforts, in close consultations with South Korea and the U.S., to resolve suspicions concerning North Korea's nuclear program.

It described in detail the developments in the issue over the past year since the topic was one highlight on Japan's diplomatic agenda, the ministry official said.

Reviewing the relations with the U.S., the report said instabilities were seen in the ties in 1994, such as political changes in both countries and tough trade negotiations, but that the two countries worked to boost ties in political and security area, in economic ties, and in cooperating on global problems.

The bluebook applauded a September accord made in some areas of the negotiations for favorably influencing bilateral relations as a whole.

However, it expressed resentment over a U.S. move to probe Japan's replacement auto parts market under section 301 of a 1974 trade act, which could lead to an imposition of sanctions in 12 to 18 months. The unilateral move violates the spirit of the negotiations, it said.

A certain amount of bilateral friction is unavoidable but since the U.S. and Japan are mutually dependent, they should work to promote ties from a broad viewpoint, it said.

Murayama Departs for Five-Day Visit to PRC

OW0205064295 Tokyo KYODO in English 0632 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—Prime Minister Tomiichi Murayama left for Beijing on Tuesday [2 May] to confer with Chinese leaders and reaffirm the importance of bilateral ties on the occasion of the 50th anniversary of the end of World War II.

The trip is Murayama's first official visit to China since assuming office last June as Japan's first socialist premier in nearly five decades.

Murayama is to meet separately with Premier Li Peng and President Jiang Zemin on Wednesday. He is also scheduled to visit the Marco Polo bridge, the site of the 1937 incident that triggered war between Japan and China.

On Thursday, the premier is scheduled to hold talks with Qiao Shi, chairman of the Standing Committee of the National People's Congress. The Chinese parliamentary leader visited Japan and met Murayama last month.

The Japanese and Chinese leaders will likely discuss ways to further cement bilateral relations as well as such international issues as stalled U.S.-North Korea negotiations over the proposed supply of nuclear power reactors.

Murayama's is the first trip by a Japanese prime minister to China since former Prime Minister Morihiro Hosokawa's visit in March 1994.

Murayama will also journey to Xian and Shanghai, and return home Saturday.

Speaking to reporters hours before departure, Murayama stressed the importance of Japan's making efforts toward peace by reflecting on its history of waging war.

"It is important to make efforts toward peace by facing up to the history that Japan's aggressive actions and colonial rule caused unbearable pain and sorrow to many people," Murayama said in an interview with reporters at his official residence.

"The Japan-China relationship is quite important to help develop the Asia-Pacific region, to which the world pays the most attention," Murayama said.

"It is important for world peace to strengthen relations by frankly recognizing the past history of each other at this turning point, the 50th year since the end of World War II, and by mutual understanding," he added.

During talks with Jiang, Murayama will confirm Japan's resolve to step up Sino-Japanese links toward peace and stability in Asia, government officials said.

To Ask Help in U.S.-DPRK Talks

OW2904000295 Tokyo NIHON KEIZAI SHIMBUN in Japanese 28 Apr 95 Morning Edition p 2

[FBIS Translated Text] Prime Minister Tomiichi Murayama has decided on a plan to deal with his meetings with PRC Premier Li Peng and President Jiang Zemin on 3 May in Beijing. In view of the fact that the U.S.-DPRK talks are undergoing rough sailing over the issue of supplying light-water reactors to the DPRK (North Korea), Murayama will ask China, which can wield influence over the DPRK, to provide lateral support so that the latter will abide by the U.S.- DPRK agreements and continue the talks with the United States.

As far as the matter of Japan-PRC bilateral relations is concerned, Murayama will reiterate Japan's support for China's reform and open-door policies, and will express Japan's willingness to actively participate in technological cooperation programs in the area of environment.

The major purpose of the prime minister's visit to China this time is to build up his personal relationship of trust with the Chinese leaders on the occasion of the post-war 50th year. Following meetings with President Jiang Zemin and Premier Li Peng, on 4 May Murayama is set to meet with Qiao Shi, chairman of the Standing Committee of the National People's Congress. In the summit talks, Murayama is expected to affirm the stand of looking back on the recent history of Japan-China relations squarely, and building up the two countries' relations toward the 21st century.

With regard to the Asia-Pacific situation, the nuclear issue of North Korea will become a key topic. Premier Li Peng, in an earlier meeting with Prime Minister Murayama in Copenhagen in March, talked negatively about the question of participating in the "Korean Peninsula Energy Development Organization (KEDO)," saying, "China wants to make efforts toward bringing stability to the Korean peninsula in its own way." While recognizing China's basic stand, Murayama will request positive action from China, noting that a rupture of the U.S.-DPRK talks would have a major impact on the stability of Northeastern Asia.

There are no major pending issues between Japan and China. Murayama will reiterate Japan's support of China's reform and open- door policy, by increasing Official Development Assistance (ODA) programs, and by expanding trade with and investments in China. He will express Japan's willingness to help China resolve its environmental problems that are becoming increasingly serious, and will tell them that Japan will send a large government-private joint delegation in June to hear China's requests with regard to these problems. He will also express Japan's intention of providing technological and other assistance to "the Japan-China Friendship Environment Preservation Center" (tentative name) to be set up in Beijing by the coming fall.

With the recent surge in the yen's value impacting on China's debt burdens, China has been asking Japan to alleviate its burdens from yen-based loans. It is possible that China will raise this matter at the summit meetings, but in that case Prime Minister Murayama is expected to say: "It will be difficult to deal only with China specifically."

MPT To Help China Install Telecom Network

OW0205084295 Tokyo KYODO in English 0809 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—Japan has agreed to help China install an optical-fiber communications network by 2010, postal ministry officials said Tuesday [2 May].

The officials at the Ministry of Posts and Telecommunications [MPT] said present plans call for installing the network at the cost of 467 billion yen to link the cities of Shanghai, Nanjing and Hangzhou for telephone and computer-based data communications.

A number of Japanese companies, including Nippon Telegraph and Telephone Corp. (NTT), trading companies, banks and communications equipment makers, are expected to take part in the project, the officials said.

The companies are expected to set up a joint venture with Chinese enterprises to lease communications equipment to Chinese authorities, they said.

Shanghai authorities, which are promoting reforms and liberalization, are aware of the need for modernizing a communications infrastructure, the officials said.

The Japanese ministry and companies have been making joint studies with the Chinese government since June 1994 on the project.

Telecommunications demand in China is growing fast, with the nation's telephone subscription contracts in 1994 having risen by 10.83 million to 39 million, the officials said.

Former Minister on Tokyo, Beijing Roles in Asia

OW2904041795 Tokyo KYODO in English 0149 GMT 29 Apr 95

["News Focus" by Takehiko Kajita: "Japan, China Urged To Play Pivotal Role in Asia"]

[FBIS Transcribed Text] Tokyo, April 29 KYODO—Japan and China should step up their efforts to take the initiative in tackling the political and economic challenges facing Asia despite their "tragic" past, a veteran Japanese legislator said.

"Japan and China ought to grapple with political and economic problems as pivotal forces in Asia," said former Finance Minister Yoshiro Hayashi, who heads a suprapartisan parliamentary league for friendship between the two neighboring countries.

"Japan and China have a relationship of 2,000 years. Although there was a period of tragic history, everything has been going well since the normalization of bilateral relations" in 1972, he told KYODO NEWS SERVICE in an interview.

A senior member of the conservative Liberal Democratic Party, the dominant force in socialist Prime Minister Tomiichi Murayama's tripartite coalition government, Hayashi left up to the Diet the question of Japan's perception of its wrongs against other Asian countries before and during World War II.

Beijing has expressed hopes that the Japanese legislature would adopt a resolution commemorating the 50th anniversary of the war's end, and Murayama had hoped a "no-war" motion will be drafted in time for his trip to China next week. But such a measure is unlikely with ruling parties at loggerheads over the issue.

During his journey, the premier is expected to restate his antiwar commitment based on his deep remorse for Japan's wartime actions in China and other Asian neighbors.

Hayashi, who has been chairman of the 500-member parliamentary group for bilateral friendship since November 1993, insisted Japan adhere to the 1972 joint declaration with China in dealing with Taiwan.

"Japan takes the position that Taiwan is part of China...as the matter of Taiwan is China's internal affair, it should be resolved along this line," he said.

Tokyo switched its diplomatic relations from Taipei to Beijing 33 years ago. With China viewing Taiwan as a renegade province, the joint declaration says Japan recognizes Beijing as the only legitimate government of China.

Hayashi said he advised Murayama to reassure Chinese leaders that Japan will never alter its policy of honoring the declaration and will strive to cement bilateral ties further. In China, Murayama is to meet President Jiang Zemin, Premier Li Peng and Qiao shi, chairman of the Standing Committee of the National People's Congress.

On China's repeated nuclear tests, Hayashi said that Japan should continue urging its neighbor to join the nuclear moratorium observed by four other declared nuclear powers—Britain, France, Russia and the United States.

China conducted two nuclear tests last year and is scheduled to conduct five more later this year. The premier will likely call on China to support international efforts to conclude a comprehensive test ban treaty.

Hayashi said he does not subscribe to the notion that China has been increasing its military spending in recent years in an attempt to seek hegemony in Asia and in the world.

He defended the fast-paced rise in China's military outlays, noting the increase is largely a reflection of a swelling amount of personnel expenses.

"China is not trying to buy an aircraft carrier from Russia...I doubt if it is really necessary to express concern only because of an increase in overall military spending," the lawmaker said.

Hayashi expressed hope that Japan's financial assistance to China, mostly through low-interest yen loans, will be used to help promote China's market economy drive under its communist regime.

China, a major recipient of Japan's Official Development Assistance (ODA), should maintain the velocity of its economic growth and eventually extricate itself from its current position as a developing country, he said.

Concerning China's call on Japan to reduce the debt burden from ODA, the repayment costs of which have grown with the yen's meteoric rise, Hayashi pointed to the need to stabilize exchange rates between the yen and the yuan in the future.

Since 1979, Tokyo has extended three batches of ODA to Beijing with a total value of 1.55 trillion yen. It will furnish another 580 billion yen for fiscal 1996-1998 as part of a fourth set of loans for the fiscal 1996-2000 period.

While supporting China's early entry into the World Trade Organization (WTO), Hayashi also served notice that too hasty an action over the global free trade watchdog could trigger disarray on the part of the Chinese economy.

"The WTO is a mechanism for nations with market economies. If it is difficult to follow international rules, it will have a negative, rather than positive, impact on China," he said.

Large Environmental Mission To Visit China

OW0205063195 Tokyo NIHON KEIZAI SHIMBUN in Japanese 22 Apr 95 Evening Editio p 2

[FBIS Translated Text] The government and the industrial sector will in June send an exceptionally large-scale mission to China, which is suffering intense environmental contamination caused by acid rain and other problems, to strengthen Japan's assistance to the country. Among the mission members will be representatives from the Ministry of Foreign Affairs [MOFA], the Environment Agency and five other ministries or agencies, as well as from the Federation of Economic Organizations of Japan [Keidanren] and the Japan-China Economic Association [JCEA].

The mission plans to tour various cities in China, including Chongqing and Dalian, to hear local demands, and to hold consultations on measures such as the transfer of technology related to environmental problems through official development assistance (ODA) programs. In the past Japan has provided cooperation mostly to build infrastructural projects such as power plants and railways. However, this will be the first-ever large-scale mission dealing largely with environmental issues.

The mission, to be headed by former ambassador to China Hiroshi Hashimoto, will comprise representatives from seven ministries and agencies including the Foreign Ministry, the Ministry of International Trade and Industry [MITI], the Ministry of Agriculture, Forestry and Fisheries, the Environment Agency, as well as Keidanren, the JCEA, the Overseas Environmental Cooperation Center [name as published], the Japan International Cooperation Agency, and the Overseas Economic Cooperation Fund.

Local governments such as Hiroshima Prefecture, Hiroshima City and Kitakyushu City, which have established sisterly relations with Chinese counterparts, also plan to join mission. They are scheduled to visit China for 10 days starting 4 June.

The mission will hold consultations on environmental issues with representatives of the Chinese Government, including officials from the State Planning Commission and the State Environmental Protection Bureau. The mission will tour cities where pollution has become a serious problem, such as Chongqing in Sichuan Province, Guiyang in Guizhou Province, Dalian in Liaoning Province, Shenyang, and Benxi to hold talks on practical cooperation projects.

The various possible areas of cooperation include: Air pollution, acid rain, energy conservation, water pollution, waste materials disposal, forest conservation, desert forestation.

The Chinese Government has laid down a long-term environmental program "Chinese Agenda 21" [name as published] and started to tackle various environmental issues. This program comprises 62 individual projects. In late 1994, China asked Keidanren to provide cooperation in 10 projects, including measures to lessen acid rain suppression and to improve waste recovery. The mission will be sent as a response to this request for cooperation.

As there are a large number of thermal power plants using coal in China, its environment has been increasingly damaged by air pollution and acid rain caused by sulfur dioxide and nitric acid.

So far, the Japanese Government and other organizations have provided individual cooperation. From now on, however, the government, the industrial sector, and local governments will provide a joint effort to promote full-scale technological transfer for such projects as desulfurization and denitration, and effluent treatment.

Daily Comments on Exchange Rate Intervention

OW0105123595 Tokyo ASAHI SHIMBUN in Japanese 20 Apr 95 Morning Edition p 5

[FBIS Translated Text] We are seeing a free fall of the dollar. It has broken the psychological barrier of 80 yen to the dollar on the Tokyo foreign exchange market, falling to 79 yen per dollar. The exchange rate is deranged.

With dollar sell-offs feeding previous sell-offs, it is futile to forcibly restrain the tides of speculation. Why does the Bank of Japan [BOJ], which has been buying up large amounts of dollars daily, not stop intervening in the market for a while? Though there is danger of the dollar nose-diving, such non-intervention may fend off speculators and trigger a rebound of the greenback. That would be better than continuing ineffective intervention to buy dollars.

The immediate cause of the dollar's fall this time was the fact that the Japan-U.S. framework talks in Washington on autos and auto parts trade failed to reach an agreement. Speculation mounted in the market that the United States might exert pressure on the exchange rate in order extract concession from Japan.

Last week, dealers were discouraged from buying back the dollar because steps taken by the Japanese government to prevent a further rise in the value of the yen and its pump-priming measures for the economy did not go beyond what the market had expected. U.S. Treasury Secretary Robert Rubin's failure to outline the U.S. Government's concrete measures for stabilizing the dollar in his meeting with Japanese Finance Minister

Masayoshi Takemura in Bali, Indonesia, held soon after Japan's announcement of the package also played a part in the dollar's sell-off.

However, there is no denying that too steep a drop in the exchange rate of the dollar and rise in the yen also led to a cautious attitude among exchange dealers. The yen is driven upward by the follow-the-crowd mentality in the markets for selling the dollar, quite apart from factors that normally determine the exchanges rates, such as prices or interest rates.

At such times, the monetary authorities would be playing into the hands of speculators by countering with the buy-up of the dollar. If there are ready buyers, speculators can sell off the dollar without any unease.

What would happen if the BOJ stopped intervening in the market and left the dollar's value to supply and demand in the markets? The dollar may plunge for a time, but as long as there is no rational reason for the present exchange rates, the dollar will eventually be brought back. This is psychological warfare.

At a time when as much as $1 trillion changes hands each day in the world's foreign exchange markets, there is a limit to what market intervention can accomplish. Things may be different if all major countries intervene firmly and simultaneously, but the BOJ intervening alone would do more harm than good.

The dollar assets in the possession of the BOJ accumulated through buying up the dollar lost much of its value because of the decline in the dollar's value. That is a loss of national wealth. The abundant yen that was disgorged into the market in return for the dollar can turn into excessive liquidity, which can cause inflation sooner or later.

In the meantime, it is regrettable that the United States does not seem willing to stabilize the dollar as the key currency of the world. The United States contends that it will not be adversely affected by the dollar's drop against the Japanese and German currencies because the dollar is highly valued against the Canadian dollar and the Mexican peso, the currencies of the countries with which the United States has very close economic relations. Such a contention is nothing less than discarding the dollar's position as the key currency of the world by the Americans themselves.

It is also worrying that U.S. trade officials are not completely free from the intention to promote exports by using the cheap dollar as leverage. If the currencies are devalued in competition on a worldwide scale, the world can be divided into currency blocs, as was the case in the 1930's.

The meeting of the finance ministers and the central bank heads of industrial nations (G-7) to be held in Washington next week will be an important conference in that sense. Japan and European countries should press the United States to defend the dollar by raising its interest rates and buying up the dollar with its own foreign currencies. Japan's intervention in the market will be effective only if the United States accepts this.

Needless to say, half of the reason for the high dollar and the yen's rise rests with Japan. Japan should express its resolve to tackle structural reforms in its economy at the G-7 meeting.

It should be kept firmly in mind that policy coordination is possible only if Japan visibly reduces its huge trade surplus.

Editorial on G-7 Inaction on Declining Dollar

OW0205002295 Tokyo NIHON KEIZAI SHIMBUN in Japanese 27 Apr 95 Morning Edition p 2

[FBIS Translated Text] The G-7 meeting of finance ministers and central bank governors held amid the dollar's shaky position as the key international currency could have been the most important monetary conference in recent times. However, the meeting merely issued a joint statement intended for the market, which said: "An orderly reversal of the foreign exchange market will be desirable."

The statement did not go into the crucial issue of concrete steps to be taken to coordinate policy. Faced with a declining dollar, the G-7 did nothing.

Referring to the phrase "reversal of the foreign exchange market" in the statement, Finance Minister Masayoshi Takemura called it "epoch-making," and German Finance Minister Theo Waigel called it "extremely important." Words, however, cannot reverse market trends.

The reason why the market showed no significant reaction to the G-7 conference is because it did not expect much from the G-7 in the first place. With very little expectation, disappointment was also negligible, and the impact on the market was minimal.

Nevertheless, the fact the recent G-7 meeting confirmed their policy of avoiding confrontation and engaging in coordination is still noteworthy. Criticism of the U.S. monetary authorities' refusal to raise interest rates came not only from Japan and Germany, but also from the International Monetary Fund (IMF). However, if discord among the G-7 worsens, it will give rise to more confusion in the exchange market. The G-7 meeting succeeded in avoiding giving the impression of persistent confrontation.

On the other hand, a "great failure" looms behind this "small success" to impress the market. The greatest failure is that the meeting failed to arouse a sense of crisis on the part of the United States over the dollar's decline as a key currency. It was totally ineffective in this respect.

While the G-7 declaration states that: "Recent fluctuations are far beyond the level justified by the economic fundamentals of the major countries," it takes the present situation too lightly, seeing the it merely as a matter of currency fluctuation. The declaration, which was called "epoch-making," actually sounds cliched no matter how many times the document is read, because it shows no trace of a sense of crisis.

What the recent G-7 conference demonstrated is that each country is increasingly becoming self-centered and inward-looking. They seemed to have totally forgotten to take into consideration the fact the overall international monetary system is in a stage of transition.

All the G-7 nations focused on defending their own national policies. U.S. Secretary of the Treasury Robert Rubin emphasized that "we clearly demonstrated that we have taken more steps to reduce the financial deficit," and that measures taken by the United States to deal with dollar depreciation have been successful. However, with the presidential election approaching next year, when tax cuts will be a controversial issue, it is very unlikely the deficit can be reduced significantly. If the American people are not motivated to save more, the current account deficit will continue to inflate.

U.S. monetary authorities are insensitive to the trend of depreciation of the dollar because it is relatively strong within the North American Free Trade Area (NAFTA).

The attitude of the Japanese monetary authorities is also questionable. Japan should have tried to persuade the United States by making the point that the rapid decline of the dollar as a key currency on the world economy will have adverse effects, rather than merely referring to the serious impact on the Japanese economy of the appreciation of the yen. On top of that, Japan needs to persist in stimulating domestic demand and relaxing economic regulations to reduce its current accounts surplus.

We did not want the G-7 to become self-centered, but to engage in policy coordination to deal with the heart of the problem of dollar depreciation.

Strong Yen Hits Import-Competitive Small Firms

OW0205103595 Tokyo KYODO in English 0945 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—Most import-competitive smaller Japanese businesses have been or will be adversely affected by the yen's most recent surge against the dollar, the small and medium enterprise agency said Tuesday [2 May].

In a survey conducted April 12, when the dollar was trading at 83.40-50 yen, 61.3 percent of 405 companies polled said they have already been badly affected by the yen's appreciation since early March and 30 percent expect adverse effects in the future.

Meanwhile, 2.8 percent have had a favorable impact from the strong yen and 1.5 percent expect such a positive impact in the future, the survey showed.

The survey, the first of its kind, covered import-competitive smaller companies in 219 industrial sectors, with an average capital of 93 million yen and 83 employees on average.

More than half of the companies were in the textile sector, said the agency affiliated with the Ministry of International Trade and Industry.

More than 70 percent of the companies surveyed said their sales volume has dropped and price cuts have squeezed earnings amid intensified competition with imports as a result of the yen's rise.

More than 50 percent expect import prices will fall by more than 10 percent from now on, while 42.7 percent have already seen declines of less than 10 percent in prices for imports.

On the other hand, 52 percent have left domestic prices for their own products unchanged, while 42 percent plan to slightly reduce prices in the future.

Most companies possibly cannot afford to lower their retail prices, an agency official said.

as measures against a strong yen, 52.3 percent cited development of new products and upgrading of products with higher value added, while 23.7 percent replied there is no effective measure.

A separate survey, conducted April 10 with the dollar changing hands at 82.60-70 yen, showed 93.4 percent of 1,880 small subcontractors nationwide have already suffered or expect adverse effects from the yen's surge for the past one month alone.

More than 70 percent of those expecting a negative impact predict it will emerge in June or afterward.

More than 80 percent have received stronger demand for cuts in unit prices from parent companies and more than 60 percent have seen drops in orders.

About half have coped with the yen's appreciation by cutting costs, while some 20 percent have found no effective countermeasure.

Nearly 74 percent of companies that have been asked to lower unit prices have done so.

The agency also reported the results of its first quarterly monitoring on business confidence of smaller companies, conducted in late March, focusing on the stronger yen's adverse effects, the impact of the Jan. 17 great Hanshin earthquake and requests to the government.

Nearly 80 percent of 144 small companies monitored have suffered or expect an adverse impact from the yen's rise.

The companies consisted of 86 manufacturers, 20 retailers, 19 wholesalers and 19 services or other businesses.

Some 66 percent of the nonmanufacturers and 55 percent of the manufacturers monitored have been affected by the great Hanshin earthquake.

Among policy requests to the government were passing on of profits from the yen's appreciation, special lending for quake victims and reduction in fixed assets tax.

Credit Association's Rebuilding Plan Discussed

OW0205044395 Tokyo KYODO in English 0406 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—The Ministry of Finance [MOF] and the Bank of Japan (BOJ) have started reviewing the rebuilding plan of financially troubled credit association Noshiro Shinkin in Akita Prefecture, northern Japan, ministry sources said Tuesday [2 May].

Though the credit association said it wants to rebuild by itself the operations that are overshadowed by a burden of nonperforming bad loans, the monetary authorities are mulling over liquidating it and transferring its operation and assets to Akita Bank, the second-largest regional bank in the Tohoku region, they said.

Noshiro Shinkin's nonperforming bad loans are mainly attributable to falling profitability of local timber producers, its chief borrowers, amid competition from cheap imports, they said.

The credit association has been trying to rebuild its operation since 1987 when it began receiving low-interest rate loans from Zenshinren Bank (Central Cooperative Bank for Credit Associations), a financial support body for credit associations nationwide.

According to financial sources, if Noshiro Shinkin fails to carry out its rebuilding scheme, the BOJ and the Finance Ministry may allow it to liquidate and turn over its businesses including deposits, money lent to clients and other assets to Akita Bank.

In the case that the credit association is to be transferred to Akita Bank, invested money will not be paid back to investors and, instead, will be used for writing off its bad loans.

In addition, Deposit Insurance Corp., a key rescue vehicle, and Zenshinren Bank may provide rescue money, the sources said.

Yoshio Hamano, Noshiro Shinkin president, said, "the news hit me all of a sudden. It could pull down our corporate image," adding that the association is in the black in the settlement of accounts.

Hamano said he will try to seek every effort to carry out the rebuilding plan on its own.

Takashi Shinkai, a senior official of Akita Bank, said the regional bank has no plan to hold a board of directors' meeting to discuss the matter as it has been approached by neither the central bank nor the ministry about the possible business transfer from the credit association.

Noshiro Shinkin was established in 1929 and is based in Noshiro, Akita Prefecture. With 68 employees at five offices, the total deposits stand at around 29.6 billion yen with loans of 20.7 billion yen.

Finance Minister Masayoshi Takemura said he has not yet been formally informed about the reviewing of Noshiro Shinkin Bank's rebuilding plan but showed a positive stance for the report, saying, "it may be an appropriate decision."

Takemura made the remarks in Auckland, New Zealand, where he is to take part in the annual meeting of the Asian Development Bank to be held Wednesday through Friday.

Outstanding Bad Loans of City Banks Reported

OW3004065495 Tokyo KYODO in English 0355 GMT 30 Apr 95

[FBIS Transcribed Text] Tokyo, April 30 KYODO—The combined amount of outstanding bad loans at Japan's 11 major commercial banks stood at 8.815 billion yen as of the end of March, a financial newspaper reported Sunday [30 April].

The figure is down 13 percent from six months earlier but is still four times higher than the combined net operating profits—earnings from the core banking operation—of the 11 banks, the NIHON KEIZAI SHIMBUN said.

The big commercial banks, known as city banks, have written off a combined 3 trillion yen worth of such loans per year.

The bad loans were derived largely from the collapse of the bubble economy, caused by the asset inflation of the 1980s.

By bank, Fuji bank holds 1,395.0 billion yen worth of loans remaining to be disposed of, followed by Sanwa Bank with 1,095.0 billion yen, Tokai Bank with 1,050.0 billion yen, Hokkaido Takushoku Bank with 865.0 billion yen, Sakura Bank with 785.0 billion yen, Sumitomo Bank with 745.0 billion yen, Dai-ichi Kangyo Bank with 740.0 billion yen, Mitsubishi Bank with 635.0 billion yen, Daiwa Bank with 570.0 billion yen, Asahi Bank with 535.0 billion yen and the Bank of Tokyo with 400.0 billion yen, the newspaper said.

These banks have made public 8,215.0 billion yen worth of nonperforming loans which have become unrecoverable due to the insolvency of borrowers and upon which interest payments are in arrears for six months or more, according to financial authorities.

The figure represents a 6 percent drop from six months earlier.

Including bad loans expected to become nonperforming in the future, the total real amount of bad loans reached 19,055.0 billion yen as of the end of March, the daily said.

The figure is around 7 percent below the level of six months earlier but still accounts for 7 percent of the 11 banks' total lending.

The city banks, by and large, intend to resolve the bad-debt problem by the year ending in March 1996.

The newspaper said, however, that the settlement may be delayed beyond that year since the lingering stock market slump cuts into the banks' latent profits on stockholdings for writing-off such loans.

LTCB Reports on Bad Loan Disposal

OW0105072395 Tokyo KYODO in English 0615 GMT 1 May 95

[FBIS Transcribed Text] Tokyo, April 28 KYODO—Disposal of bad loans by the Long-Term Credit Bank of Japan (LTCB) is progressing smoothly, new LTCB President Katsunobu Onogi said in a recent interview with KYODO NEWS SERVICE.

"We are not making haste to dispose of bad loans because we have already secured enough funds to liquidate nearly 50 percent of them," he said, adding that 20-30 billion yen worth of nonperforming loans to non-banks affiliated with three regional banks in the Kansai district were written off in fiscal 1994, which ended March 31.

Onogi predicted that emphasis will be laid on trimming loans for which interest payments have been either exempted or reduced.

Onogi formally took over LTCB's chief executive post Friday [28 April] from Tetsuya Horie, who resigned to take the blame for the bank's links to a scandal involving the bankruptcies of two credit unions in Tokyo, Tokyo Kyowa Credit Association and Anzen Credit Bank.

Onogi said the LTCB should share the burden of liquidating the debts left behind by the two credit unions and transferred to a newly established institution, Tokyo Kyodou Bank.

"I think it is important to preserve the financial system in dealing with this case, and the long-term credit bank should carry a fair share of the burden to discharge its social responsibility," he said.

Tokyo Kyodou Bank was launched in January with funds from the LTCB and other commercial banks and financial institutions.

A contribution to the bank of 30 billion yen by the Tokyo Metropolitan Government is stalled due to opposition by the capital's new Governor Yukio Aoshima.

Referring to the reorganization of Japan's financial market, Onogi stressed the importance to individual banks of strengthening their particular expertise in order to increase their international competitive power.

He said, "mergers will not be the only answer" to new challenges, apparently referring to a merger planned between mitsubishi bank and the Bank of Tokyo early next year.

Onogi said the LTCB will seriously tackle issues such as the effects on Japanese industry of the strong yen, structural reform of the domestic economy, and risk management when trading in new financial products such as derivatives.

Commercial Banks Revise Time Deposit Rates

OW0105070995 Tokyo KYODO in English 0432 GMT 1 May 95

[FBIS Transcribed Text] Tokyo, May 1 KYODO—Major commercial banks raised the interest rates on large-lot time deposits of 10 million yen or more and those on "super" time deposits of less than 3 million yen Monday [1 May].

Mitsubishi Bank, Sanwa Bank and three other banks raised the rates on four-year super time deposits by 0.05 percentage point to 2.10-2.35 percent per annum.

Sakura Bank and four other banks raised their interest rates on five-year super deposits by 0.05-0.15 point to 2.45-2.80 percent.

For four-year large-lot deposits, Mitsubishi Bank, Asahi Bank and five other banks raised their rates 0.05-0.10 point to 2.25-2.45 percent.

For ordinary deposits, however, Dai-ichi Kangyo Bank and Mitsubishi Bank lowered their rates by 0.05 point to 0.15 percent per annum, a historic low.

Tokyo Power Approves Foreign Procurement Plan

OW0105121895 Tokyo YOMIURI SHIMBUN in Japanese 21 Apr 95 Morning Edition p

[FBIS Translated Text] On 20 April, Tokyo Electric Power Co. [TEPCO], approved a plan to buy materials and equipment from overseas suppliers through Fiscal 1997. The special feature of the plan is that it clearly states the company will purchase 50 items totalling 106.4 billion yen [Y] from other countries in a three-year period that ends in Fiscal 1997. TEPCO will buy 15 items, or Y51.4 billion worth of materials and equipment, from the United States and other countries during Fiscal 1995. It is the first time an actual numerical target has been incorporated into a plan to purchase materials and equipment from other countries in the electric power industrial circle.

In addition to the dispute over the opening of Japan's auto and auto parts markets, the U.S. Trade Representative (USTR) office criticized the Japanese electric power industry's procurement system in its "report on trade impediments," which was published in March, saying: "Further improvement is needed." It seems TEPCO's procurement plan is aimed at mitigating such criticism by including a numerical target.

When constructing an electric power plant, for instance, TEPCO has been awarding contracts to major domestic electric machinery manufacturers, who obtained the equipment and supplies they needed on their own. However, this procurement method is flawed in that only a small number of firms are tapped to provide such materials and equipment. Moreover, material and equipment prices are inflated.

According to the new procurement package, TEPCO will place orders with the makers of such supplies in order to cut costs. The 15 items included in TEPCO's Fiscal 1995 procurement plan are expected to include electric wiring, steel materials for pylons, and ground voltage transformers; it will be Y51.4 billion worth of procurement.

In principle, suppliers of materials and equipment will be determined by competitive bidding. However, an official of TEPCO's materials department said: "We will purchase electric wiring from Asian nations, and materials for plants, which have high added value, from Europe and the United States."

TEPCO has earmarked Y1.5 trillion for total capital investment in its Fiscal 1995 budget. The procurement of Y51.4 billion in overseas supplies represents only 3.3 percent of its entire capital investment plan for that year. A top TEPCO official explained: "Electric power equipment is made up of very specialized machines. Therefore, we do not think this will trigger mass procurement from overseas at a fast pace." However, it seems there will be no change in the situation in which Japan is forced to buy materials from other countries.

Semiconductor, Auto Firm Investments Differ

OW0105113395 Tokyo NIHON KEIZAI SHIMBUN in Japanese 24 Apr 95 Morning Edition p 15

[FBIS Translated Text] Of the nonlisted companies that are actively investing in plants and facilities, semiconductor manufactures and auto parts makers are making opposite moves. Semiconductor companies, which have a high international market share in particular areas and enjoy a high rate of exports on a yen basis, are attaching importance to making investments at home. On the other hand, auto parts makers, following the transfer of production to other countries, are planning to further expand their production mainly in Southeast Asia, and to boost imports from strongholds abroad to reduce production cost.

The THK [expansion unknown], which produces linear motion bearings, will spend about 10 billion yen to boost production of direct acting [chokudo] systems used for production of semiconductors. The same company plans to increase production lines at its factories in both Yamagata (Tone City in Yamagata Prefecture) and Yamaguchi (Sanyo-cho in Yamaguchi Prefecture) and thereby expand its production capability by about 30 percent by the fall of 1996. Sales of direct acting systems count for a little less than 70 percent of the company's entire sales and its production of the system continues to grow by more than 30 percent over previous years.

Union Tool [name as published] plans to boost its production capability by about 14 percent by expanding its production lines for manufacturing cemented carbide drills for printed boards at its Nagaoka plant (located in Nagaoka City, Niigata Prefecture). It will also expand production lines for hyperfine processing drills this year. It is expected that this company's total amount of investment will be about 500 million yen. Disko [name as published] will also boost its capability by 5 percent and prevent elimination or reduction of labor by investing some 200 million yen during fiscal 1995 on its plant in Kure (located in Kure City, Hiroshima Prefecture), where the company produces fine cutting tools for silicon wafers.

The semiconductor companies are investing in plants and equipment at home, as they export a large portion of their products on a yen basis and also because they came to the conclusion that it is profitable for them to continue to export their goods from Japan although the value of the yen continues to appreciate. THK exports 20 percent of its products, 65 percent of which are exported on either a yen or German mark basis. Union Tools exports a little less than 70 percent of its products on a yen basis. Disko exports nearly 100 percent of its goods in the same way. Ichiro Katayama, president of Union Tool, said: "We will improve the effects of mass production and maintain employment by increasing our domestic production."

Meanwhile, auto parts makers will accelerate the building of production strongholds abroad in the wake of the rapid appreciation of the yen. Izumi Co., which produces engine pistons, will increase the production capability of its joint venture company in Indonesia by 1996 so that it will be able to manufacture 2.5 million pistons a year. In addition, the production capability of the company's joint venture company in Thailand will be improved 150 percent. Izumi aims to supply car makers and engine plants in Thailand with more repair parts.

With Honda Motor Co.'s expansion of production in Thailand, Honda's affiliated auto parts makers, including Chiyoda Kogyo Corp. and Hirata, will establish joint venture companies and construct factories in Thailand by this fall. Kazuhira Kato, president of Chiyoda Kogyo Corp., said: "Following the rapid appreciation of the yen's value after March, it became necessary for us to further expand our business operations aboard." They are studying the possibility of constructing production strongholds in Asia to open up a market for their products.

The auto parts makers will import parts from their plants abroad to reduce production cost at home and also to minimize the effect of fluctuation in exchange rates. Izumi Co. will import semifinished products, which amount to 5 percent of its domestic production, from its production strongholds in Indonesia and Thailand after this fall. The company is studying the possibility of importing finished products in two years.

Agency Approves GATT-Mandated Rice Imports

OW2704143295 Tokyo NIHON KEIZAI SHIMBUN in Japanese 27 Apr 95 Morning Edition p 5

[FBIS Translated Text] The Food Agency will allow 2,800 tons of unpolished rice as the first shipment pledged under the GATT Uruguay Round. The agency plans to receive sell offers from 34 rice importers, nominated in late March in conjunction with purchase bids from domestic wholesalers. However, the first tender may be delayed due to some ruling parties' deep-rooted opposition to rice imports.

According to the Uruguay Round, Japan must import 426,000 tons of rice in fiscal 1995. Of the total imports, 6,000 tons will be imported in the simultaneous buying and selling (SBS) tender system, in which tenders are made by teams of importers tied up with wholesalers. The remaining 420,000 tons are expected to be imported by the government for sale to wholesalers.

The first tender will be invited in the SBS system. In view of uncertainties in market demands for foreign-grown rice, the agency intends to approve the imports of the combination offering it the highest profit margin, without specifying the amount of rice imported from each country.

After observing market trends with SBS tenders, the agency will invite general tenders specifying the amount and the type of rice.

Rice Auction Moved to Jun

OW2804055795 Tokyo KYODO in English 0439 GMT 28 Apr 95

[FBIS Transcribed Text] Tokyo, April 28 KYODO—Japan's farm minister said Friday [28 April] the first auction for imported rice will be postponed to June or later from the originally set May, an action expected to affect Australian farmers.

Agriculture, Forestry and Fisheries Minister Taiichiro Okawara unveiled the postponement at a regular news conference after the day's cabinet meeting.

In view of import procedures taking at least one month, retail sales of imported rice are expected to be delayed to July.

Rice to be auctioned will be imported under the Uruguay Round farm accord, which calls for Japan to ensure a minimum import access for rice starting this year.

The Liberal Democratic Party, the largest ruling coalition party with many of its constituencies based in farm areas, has been opposed to the Farm Ministry's original auction schedule, apparently reflecting concern of farmers growing rice early in such areas as Miyazaki Prefecture in Kyushu.

Early rice imports are also expected to affect the supply-demand situation in Japan's overall rice market since about 900,000 tons of rice already imported have yet to be consumed. The rice was imported last year as an emergency step to cover the bad harvest during the 1993 season.

The latest decision is expected to affect farmers harvesting rice early, such as australians who harvest beginning in April.

About 2,800 tons of rice are subject to the first auction, accounting for half of the 5,600 tons to be auctioned during this year.

DA Drafts New SDF Reserve System Plan

OW0205074495 Tokyo NIHON KEIZAI SHIMBUN in Japanese 24 Apr 95 Morning Edition p 2

[FBIS Translated Text] The Defense Agency [DA] completed drawing up a plan designed to reform the self-defense reserve system, as a supplementary measure to cope with future reductions of the Ground Self Defense Force [SDF]. A pillar of the plan is to recruit "SDF reservists who can immediately respond to calls" and be deployed to the front along with ordinary SDF officials in time of emergency. The number of new SDF reservists will be around 10,000. Among other things, the DA envisages: 1) to improve their skills by making their training hours longer than that of other reservists, who were recruited earlier; and 2) to be prepared for major disasters and atrocious terrorist attacks at the same time. It seems that the reservists' roles and capabilities as crisis management specialists will be tested.

The DA is trying to map out a new defense outline by reviewing, for the first time in about 20 years, the "defense plan outline," which the cabinet approved in October 1976. The DA plans to reduce the number of Ground SDF personnel to about 150,000 (it is 180,000 according to a defense outline appendix) because it cannot recruit enough people. This reserve system reform plan has been studied as a measure to cover a shortfall that will be created by the major reduction of Ground SDF personnel.

SDF reservists recruited in the past are part-time public servants. They were selected from former SDF personnel who were in the service for more than one year. After retiring from the SDF, they will take part in trainings five days a year and perform logistics support duties or as guards in times of emergency. They will support the SDF's capability to keep fighting [keisen noryoku]. The current total quota of reservists for the Ground, Sea, and Air SDF is 47,900 (of which 46,000 belong to the Ground SDF). However, the DA will make coordination as to whether or not the reservists, who will be recruited under the new system, will be included in the current quota.

The DA plans to set about 30 days a year as a training period for the new reservists to help them maintain high skills so that they can be deployed to the front with regular SDF personnel in times of emergency. As far as allowances, uniforms, and other matters are concerned, the new reservists will be given better treatment than ordinary SDF personnel.

So far, most reservists work in private companies. In many cases, however, it is difficult for them to take leave to take part in SDF trainings. For the new reservists, a heavy burden will be imposed on their employers because their training period is longer. Therefore, the DA will introduce a new national compensation system for the employers. Moreover, the DA wants to train the reservists as crisis management specialists by incorporating into their training program a course on crisis management in time of earthquakes or terrorist attacks so that companies, who are required to defend themselves from disasters, will have an immediate benefit from employing them.

Moreover, the DA is also studying the possibility of recruiting ordinary people and students as "generally recruited reservists" (tentative name).

SDPJ Group Proposes FEMA-Type Body

OW0105084395 Tokyo KYODO in English 0806 GMT 1 May 95

[FBIS Transcribed Text] Tokyo, May 1 KYODO—A policy-making group of the governing Social Democratic Party (SDP) [of Japan; SDPJ] proposed Monday [1 May] setting up a special body to deal with natural disasters modeled after the U.S. Federal Emergency Management Agency (FEMA).

The agency should comprise a staff of about 3,000, said the SDP's forum for peace strategies.

Such an organization could also help save government funds by taking in personnel from the Self-Defense Forces (SDF) that are being disengaged in line with planned troop reductions, the group said.

It could group firefighters, police officers, medical staff, SDF troops and independent experts, and should be placed under direct control by the cabinet, the SDP policy-makers suggested.

Branches could be set up at several places throughout the country, each staffed with some 500-600 personnel.

The agency teams would undergo regular training in disaster relief and could be dispatched upon request from local governments, the central government or by way of the agency's own judgment.

In the case of a major emergency such as the great Hanshin earthquake that leveled Kobe and its vicinity Jan. 17, the prime minister would order the mobilization of all agencies involved in disaster relief such as fire departments, police, medical facilities, the SDF, the Maritime Safety Agency and volunteer support.

The teams could also be dispatched to support humanitarian aid missions abroad, help in major disasters and participate in the civilian part of United Nations-sponsored peacekeeping operations.

To that aim, existing entities providing international relief should be restructured and integrated into the proposed agency.

The group said it would be desirable to incorporate into the agency an emergency firefighters unit currently under consideration.

The policy-makers have dismissed the idea of engaging the SDF in disaster relief abroad.

"The SDF, being essentially a fighting organization, is not equipped with the facilities, materials and special training needed for activities to save lives and to operate in cities hit by disasters," the proposal said.

In addition, the policy-makers said the SDF lacks certain skills that are indispensable in cooperating with municipalities, private organizations, local residents and volunteers. (endall) 010806 florence RF130105.005 ym 01/0843

Ruling Parties Decide To Streamline JDB

OW3004112395 Tokyo NIHON KEIZAI SHIMBUN in Japanese 29 Apr 95 Morning Edition p 2

[FBIS Translated Text] On 27 April, the ruling coalition parties decided on plans to streamline the Japan Development Bank [JDB]. Under the plans, the JDB will cut back on the annual amount of loans and the ratio of its loans to business. But the ruling coalition parties set no numerical targets for the cutbacks. Local development finance corporations and small business finance corporations have been engaged in almost the same loan business. The ruling coalition parties did not discuss whether to streamline them and limited themselves to saying, "We will speedily study whether to streamline those finance corporations." The ruling coalition parties will notify the government of the plans at the end of the Golden Week.

With regard to the ratio of the JDB's loans to business, the ruling coalition parties have studied a plan for lowering the current ratio of 40 percent to 20 percent without setting any specific target for it. The ruling coalition parties, however, only decided that the ratio of the JDB's loan to enterprises that are able to raise long-term funds will be drastically cut, and the drastic cuts will be put into practice beginning in 1996 within a fixed period.

On the amount of the JDB's investment and loans, a working team of the ruling coalition parties has agreed that the current amount of 2.7 trillion yen (1993 performance) should be brought down to the amount of 1-1.1 trillion yen that the JDB provided before the bubble era. However, the ruling coalition parties only said, "We will seek to cut back on the JDB's investment and loan in light of the government's policy to expand the economy following the bursting of the bubble economy."

Tokyo To Lift Freeze on Public Works Outlays

OW0105044495 Tokyo NIHON KEIZAI SHIMBUN in Japanese 16 Apr 95 Morning Edition p 1

[FBIS Translated Text] As part of efforts to secure financial resources for the reconstruction of areas hit by the great Hanshin earthquake, the Finance Ministry has imposed a "five-percent freeze" on outlays for public works projects in the 1995 budget. Both the government and ruling parties recently decided to lift the five-percent freeze and execute the outlays within this week. The ruling parties have demanded an "early lifting" of the five-percent freeze as uncertainty about the future of the economy has been spreading on the heels of a sharp rise in the yen. The Finance Ministry, which feels the need to give priority to vigorously implementing the public works projects, has finally shelved its original plan to lift the five-percent freeze on the outlays and use it as part of financial resources for the first supplementary budget of fiscal 1995. Of the five-percent of the outlays, WHIch amounts to approximately 430 billion yen, about 30 percent of the amount will be spent for the reconstruction of quake-hit areas, and the remaining 70 percent (approximately 300 billion) will be spent mainly for disaster-prevention public works projects across the nation. The Finance Ministry imposed the five-percent freeze as part of efforts to secure financial resources for the reconstruction of areas hit by the great Hanshin earthquake after reviewing the outlays for public works projects in the 1995 budget which did not anticipate the occurrence of disasters like the great Hanshin earthquake. The Finance Ministry has also examined the possibility of lifting the five-percent freeze and using it for the reconstruction with the aim of triggering a full-dress debate on financial resources and tax hikes.

While concerns have been voiced that the drastic appreciation of the yen and the falling stock prices would hold hack the economic recovery, local autonomous governments, with the exception of Hyogo Prefecture and Kobe, have been complaining about the cut in the outlays for public works projects. Mindful of unified local elections, the ruling parties, especially the Liberal Democratic Party [LDP], criticized the government for cutting the outlays for public works projects. At a 14 April meeting of the LDP General Council, a majority of attendees voiced concerns over the economy and said, "The way the Finance Ministry gets things done is ridiculous." At the meeting, Koichi Kato, chairman of the LDP Policy Research Council, indicated that he would instruct the Finance Ministry to "lift the five-percent freeze."

Upon receiving instructions from the LDP, the Finance Ministry changed its policy. On 14 April, the government decided on an emergency package of measures to halt the yen from further rising and to stimulate the economy. In the emergency package, the government made clear that "it would vigorously implement the public works projects in 1995." In line with the emergency package, the government and ruling parties have decided to "lift the five-percent freeze." As a result, it is certain that the government will rely on construction bonds for all financial resources to reconstruct the quake-hit areas in the first supplementary budget.

The Finance Ministry planned to use 430 billion yen for the reconstruction of quake-hit areas and the implementation of disaster-prevention public works projects when it decided to impose the five-percent freeze on the outlays for public works projects. The Finance Ministry has shelved the plan after finding the reconstruction of quake-hit areas shows a conspicuous delay and it was unable to take additional fiscal measures. Only 30 percent of 470 billion yen will be spent for reconstruction and the priority will be given to the nationwide implementation of disaster- prevention public works projects. The Finance Ministry plans to allocate hundreds of billions of yen in the first supplementary budget for the disaster-prevention public works projects in keeping with the emergency package of measures to halt the yen from further surging and to stimulate the economy.

Murayama, Takemura Study New Political Force

OW0205121795 Tokyo NIHON KEIZAI SHIMBUN in Japanese 2 May 95 Morning Edition p 1

[FBIS Translated Text] Prime Minister Tomiichi Murayama held talks with Finance Minister Masayoshi Takemura, concurrently head of Sakigake [Harbinger Party], at his official residence on 1 May. Anticipating a further realignment of the political scene, the two leaders reached an accord on a plan for forming a study group, aiming at the establishment of a "nucleus for a third political force." The study group will consist mainly of dietmen from the Social Democratic Party of Japan [SDPJ] and Sakigake, with dietmen joining the group on an individual basis.

Takemura plans to hold talks with SDPJ Secretary General Wataru Kubo following the early May holiday period on steps to be taken for the group's establishment. The SDPJ plans to hold a special party convention on 27 May to discuss its plan on forming a new democratic liberal party. The study group formation plan may have an impact on the SDPJ's decision on the new party.

The participants of the study group are expected to discuss political concepts and policies for forming a new political force in the future. Several titles, including the "Study Group for Japan's Future," are being considered as names for the group. The two parties are thinking of inviting not only scholars and intellectuals, but also former Prime Minister Kiichi Miyazawa and former

Vice Prime Minister Masaharu Gotoda, as guest speakers. The study group will be operated by the SDPJ and Sakigake for the time being. However, the two parties also plan to call on dietmembers from the Liberal Democratic Party [LDP] and the New Frontier Party to join the group.

The SDPJ and Sakigake have been holding regular talks to discuss policy issues and Diet affairs. The two parties agreed at the first meeting on 22 March to keep step with each other to deal with the Diet resolution to commemorate the 50th anniversary of the end of the Second World War.

Moreover, the two parties will hold talks after the holidays on the study group project. Murayama and Takemura plan to meet with Foreign Minister Yohei Kono, who is also president of the LDP, to explain the study group plan so as to win his understanding.

Murayama and Takemura basically agreed on the study group formation plan in January to inhibit the moves of the SDPJ's New Democratic League (chaired by Sadao Yamahana). However, the two parties have failed to work out concrete steps for the plan because of the great Hanshin disaster and the loss of momentum in Yamahana's group.

LDP Members Bargaining on Next Leadership

OW0105131895 Tokyo NIHON KEIZAI SHIMBUN in Japanese 30 Apr 95 Morning Edition p 2

["Frontline" article: Three LDP Members Are Eyeing the Leading Role]

[FBIS Translated Text] **The Two "Cards"**

When the political situation moves, there is a person pulling strings behind the scenes. Seiroku Kajiyama, former secretary general of the Liberal Democratic Party [LDP], as a member of the former Obuchi faction, is maintaining "two cards" and intends to grasp power to control the political situation.

On the evening of 17 April, Kajiyama had a drink with Ryotaro Hashimoto, international trade and industry minister.

Kajiyama: "In the near future, either Mr. Keizo Obuchi (LDP vice president) or you should be selected as a candidate in the next presidential election. Are you ready for that?"

Hashimoto: "Meaning that I have to have an interview." A certain scene that took place two and half years ago floated into Hashimoto's mind. "It is the same as it was before." Hashimoto pondered over his destiny: He may again have to compete with Obuchi for the same party post.

In October 1992, when former LDP Vice President Shin Kanemaru's resignation from the Diet triggered the breakup of the former Takeshita faction, two Diet members, Kishiro Nakamura and Kanezo Muraoka, who were at the forefront of countering Ichiro Ozawa (secretary general of the New Frontier Party [NFP]), called Hashimoto and Obuchi to the Akasaka Hotel in Tokyo to make sure "both of them can get along." As a result of this "interview," Hashimoto gave away the Takeshita faction chairman post to Kajiyama, a rival since his first election in 1963; and then the former Obuchi faction set up the "anti-Ozawa alliance."

"I got an earful from Mr. Kajiyama today." Obuchi complained to General Council Chairman Kabun Muto who was sitting next to him at a meeting of "Kayukai"—a group formed by veteran LDP members—held at a restaurant near LDP headquarters on the evening of 26 April. In giving "an earful" to Obuchi, Kajiyama indicated his hopes for Obuchi to be a candidate in the next presidential election this fall.

While Obuchi maintains his place as No. 2 man in the party leadership, Hashimoto is most popular outside Nagata-cho [political center in Tokyo]. Which card will Kajiyama use to pave the way for the next party election? Just by disturbing incumbent LDP President Yohei Kono with such a guessing game could hold his reelection pledge in check.

Aiming At Expanding His Own Reach

However, Obuchi is not just a card held by Kajiyama and others. One midnight in late December, after visiting his friend in Setagaya ward in Tokyo, Obuchi suddenly dropped by Ozawa's residence which is in the neighborhood. Ostensibly, his visit was to ask for cooperation to support Shintaro Ishihara, former deputy chief cabinet secretary, in his race for the Tokyo gubernatorial election. During his meeting with Ozawa, however, Obuchi jokingly said: "If he cannot gain official endorsement as a candidate for Tokyo governor from the LDP, give him your party's endorsement." Underlying this was a move promoted by former Prime Minister Yasuhiro Nakasone to "oust Obuchi" from the party leadership.

In addition, on 18 April Obuchi held another meeting with the so-called YKK trio, Diet Affairs Committee Chairman Taku Yamazaki, Policy Research Council Chairman Koichi Kato, and Junichiro Koizumi, former post and telecommunications minister. The YKK trio strongly oppose a "conservative-conservative alliance"—a move advocated by the anti-Kono LDP group and some NFP members to upset the president—and is considered, at this point, the main force supporting Kono's reelection.

It seems Obuchi is trying to expand his political reach while cooking up two conflicting cards, "the conservative-conservative alliance" and "the YKK trio," by his own hand.

Anti-Kono Movement Irritates Him

At a party executives' meeting on 17 April, in Obuchi's presence, Kono said in a sharp tone: "Groups like the old factions are reviving." His irritation was aimed at Kajiyama, a behind-the-scenes mastermind. It was reported on 13 April, prior to this meeting, that the former Obuchi faction including Kajiyama will form an alliance with part of the Mitsuzuka, Miyazawa, Watanabe, and other former factions to start a new policy group called "Taisho- kai" (tentative). As for Kono, such a group only appears to be a joint anti-Kono camp to support Obuchi or Hashimoto as a candidate for the next presidential election.

"The Takeshita (former prime minister)-Obuchi duo has not been on friendly terms with Kajiyama and Hashimoto." "Obuchi will take Kono's side in the end." Recent information actively sent from Kono's supporters indicates their intention to separate Obuchi, Hashimoto, and Kajiyama while keeping an eye on their delicate relations.

The LDP finally retrieved ruling party status by persuading the chairman of the Social Democratic Party of Japan to become prime minister. For the last 10 months since inauguration of the new administration, the LDP has suppressed its discontent toward the coalition administration because it did not want to go through the ordeal it experienced as the opposition. However, the source of discord has gradually been spreading. "The three candidates for next party president," Kono, Obuchi, and Hashimoto, are already vying with each other for the leading part on the next political stage.

Murayama Rules Out Cabinet Change Before Jul

OW0205034295 Tokyo KYODO in English 0323 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—Prime Minister Tomiichi Murayama ruled out Tuesday [2 May] a possible cabinet reshuffle before the House of Councillors election in July.

Murayama supported Foreign Minister Yohei kono's Monday remarks to Japanese reporters in Budapest that there will be no changes in the cabinet before the upper house election.

Murayama, also chairman of the Social Democratic Party [of Japan], said he has the same view on the matter as Kono, president of the Liberal Democratic Party, a key component of the three party coalition.

Murayama disclosed his position to reporters at the prime minister's official residence.

Meanwhile, Chief Cabinet Secretary Kozo Igarashi also expressed his approval of Kono's remarks Tuesday. He told reporters there is no reason to change the 10-month-old cabinet soon.

Kono on Possible Cabinet Change After Jul

OW0105023395 Tokyo KYODO in English 0205 GMT 1 May 95

[FBIS Transcribed Text] Budapest, May 1 KYODO—Japanese Foreign Minister Yohei Kono suggested Monday [1 May] that Prime Minister Tomiichi Murayama could reshuffle his 10-month-old cabinet after a House of Councillors election in July.

Kono told Japanese reporters accompanying him on a five-day visit to Croatia and Hungary that there will be no cabinet reshuffle before the upper house election, saying the government could not afford to do so.

The Murayama administration, sworn in last June, faces social unrest and economic doldrums stemming from a series of terrorist attacks involving the use of gas and January's earthquake in Western Japan that claimed more than 5,500 lives.

But Kono said a cabinet reshuffle after the July poll is "a matter to be considered on the basis of the outcome of the election."

It is customary in Japan to overhaul the cabinet after a certain interval, normally once a year, as a means of maintaining the premier's political clout and government-ruling party solidarity.

Asked if he will leave the cabinet in the event of a reshuffle to focus on his duty as head of the Liberal Democratic Party (LDP), Kono simply said he will first consult with Murayama.

Kono ruled out a snap general election, saying voter confidence can be measured by the July poll and that Murayama has pledged to concentrate on resolving key pending issues.

Referring to coalition bickering over a proposed antiwar Diet resolution, Kono voiced confidence that the ruling parties will be able to reach a consensus on its contents.

The LDP, the dominant partner in the tripartite ruling coalition, is cautious toward a no-war pledge and an apology over Japan's atrocities during World War II.

Murayama's Social Democratic Party [Social Democratic Party of Japan—SDPJ] is demanding inclusion of the pledge and apology in the resolution.

Kono said he also sees the need to coordinate wording of the resolution with the main opposition Shinshinto (New Frontier Party), which favors such Diet action in principle.

But some Shinshinto lawmakers have joined a group of conservative LDP legislators in opposing the resolution.

LDP Sees 31.5 Percent Drop in Local Funds

OW0205094695 Tokyo KYODO in English 0907 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—The Liberal Democratic Party (LDP), the largest party in the tripartite coalition, posted a 31.5 percent year-to-year fall in political funds from prefectural backers in 1993, a government report released Tuesday said.

The annual report by the Home Affairs Ministry said the LDP, which lost power in summer 1993 but regained it last June as a coalition partner, collected 15.3 billion yen in tax-free donations from supporters in Japan's 47 prefectures during 1993, down sharply from 22.4 billion yen in 1992.

Political parties and organizations collected a total of 159.0 billion yen in funds during 1993 from local supporters, a 0.4 percent rise from 1992, the report said.

The total, raised by 52,406 political parties and supporting groups nationwide, represented a gain of some 700 million yen from 1992, when the amount hit 158.3 billion yen, the ministry said.

Parties accounted for 60 billion yen of the 1993 total, down 10.1 percent from the previous year, while other political groups collected the remaining 99 billion yen in fund-raisers, up 8.1 percent.

Political analysts said the double-digit decline in fund raising by parties reflected a tendency among voters not to support a particular party.

The LDP's sharp fall stemmed from its loss of power, a series of scandals involving top party officials and the burst of the "bubble economy" in the early 1990s, they said.

The figures are separate from funds raised in two or more prefectures by national headquarters of political parties.

Combined with national-level political funds, which the ministry reported last September, total revenue stood at 330.35 billion yen, down 0.6 percent from 1992 and the second consecutive yearly drop since 1991.

Meanwhile, local-level total expenditures registered 157.4 billion yen in 1993, up 0.7 percent from the year before, bringing combined expenditures to 324.0 billion yen, a 1.4 percent slide.

The ministry compiled its report after prefectural chapters of political parties and local political groups declared their fund- raising balance sheets to local election management committees.

By party, the Japanese Communist Party (JCP) topped the 1993 list of local-level fund raisers with 31.1 billion yen, up 4.4 percent, followed by the LDP with 15.3 billion yen, the Social Democratic Party (SDP) with 6.8 billion yen, down 4.2 percent, Komeito with 3.1 billion yen, down 21.8 percent, and the Democratic Socialist Party (DSP) with 3.0 billion yen, down 10.0 percent.

Shinseito (Japan Renewal Party), which merged with Komeito and the DSP into the largest opposition Shinshinto (New Frontier Party) last December, collected 160 million yen in 1993.

SDPJ Chapters Want New Party After Poll

OW0105014495 Tokyo YOMIURI SHIMBUN in Japanese 25 Apr 95 Morning Edition p 1

[FBIS Translated Text] Based on an opinion poll conducted by YOMIURI SHIMBUN, most local Social Democratic Party of Japan [SDPJ] organizations do not intend to blame Prime Minister Tomiichi Murayama (SDPJ chairman) and Secretary General Wataru Kubo for the party's crushing defeat in the recent simultaneous local elections. It is believed that the reason behind this is that they do not want to create any intraparty upheaval by raising the question of responsibility for the electoral defeat.

With regard to the greatest issue in the SDPJ, the founding of a new party, around two-thirds of the chapters, or 30 prefectural level organizations, indicated they favor forming a new party after the upper house elections.

This survey was conducted among the chairmen and secretaries general of prefectural chapters on 17 and 18 April, right after the first half of the local elections. Replies were obtained from 45 prefectural chapters, with the exception of Aichi and Tottori. Followup questions were also addressed to a number of chapters on 24 April, after the second phase of the local elections.

According to the poll, the top reasons cited for the SDPJ's defeat in the elections for prefectural assemblies are: "transformation into a realist party has been insufficient" (Toyoma and 12 other prefectures), "the SDPJ has lost its appeal" (Fukushima and seven other prefectures), and "the SDPJ has lost its identity due to policy changes such as accepting the 'constitutionality of the Self-Defense Forces'" (Hiroshima and five other prefectures).

While many local chapters pointed to the party's basic organizational problems—for instance, Ehime, Yamagata and Niigata said that "intraparty strife brought about a lack of unity"—Oita and 34 other prefectures said the prime minister "is not responsible" for this, and Fukuoka and 32 other prefectures did not think that the party secretary general needs to resign.

On the other hand, with regard to the schedule for creating a new party, Fukui and 30 other prefectures opted for "after the upper house elections," including those favoring "immediately after the election," "this autumn," or "after the upper house elections."

Regarding the special party convention scheduled to be held in May at the earliest, Saitama and 20 other prefectures wanted this to "merely decide that a new party will be formed," while only five prefectural units, including Tokyo and Yamaguchi, wanted the convention to be an "inaugural meeting for the new party."

Furthermore, with regard to when the next lower house election will be held, the majority opinion is that the dissolution of the Diet and a general election should not transpire in the near future, with 11 prefectures favoring holding the lower house election "this autumn," and 28 prefectures, "next year, at the earliest."

Rengo Marks May Day With Murayama Attending

OW0105041795 Tokyo KYODO in English 0338 GMT 1 May 95

[FBIS Transcribed Text] Tokyo, May 1 KYODO—Millions of Japanese workers joined Monday [1 May] in marches and other festivities at some 1,100 venues across the nation to mark the 66th May Day, with a Japanese Prime Minister attending such an event for the first time.

As in past years, unions affiliated with the Japanese Trade Union Confederation (Rengo) and anti-Rengo union forces held separate gatherings, with total turnout estimated by organizers at 3.9 million people.

Rengo's main gathering was staged at Tokyo's Yoyogi Park with some 200,000 attending. They included Prime Minister Tomiichi Murayama, head of the Social Democratic Party (SDP) [Social Democratic Party of Japan—SDPJ], the first time a Japanese Prime Minister has attended a May Day event.

Rengo this year scaled back its march to a seventh the size of last year's in favor of a festival atmosphere, including a song contest to mark the 50th Anniversary of the end of World War II.

In contrast, the alternate National Confederation of Trade Unions, which has close links with the Japanese Communist Party, focused on political issues.

Security was tight in Tokyo following the March 20 sarin gas attack on the capital's subways which resulted in the deaths of 12 people and injured more than 5,000.

At the Rengo rally, Murayama and other governing party members, including SDP Secretary General Wataru Kubo and Naoto Kan, head of a policy-making panel of another coalition partner New Party Sakigake (Harbinger), took the podium along with Toshiki Kaifu, former prime minister who now heads the main opposition Shinshinto.

Murayama, Japan's first socialist premier in nearly half a century and who once served in a national union of local government workers, told the rally Japan is now at a crossroads in the political, economic, and every other aspect.

He vowed to resolve pending issues such as compensation demands from women forced into sexual slavery during World War II by the Japanese Imperial Army.

Murayama listed several policy priorities, including restoration of areas in Western Japan devastated by January's earthquake, early Diet passage of a fiscal 1995 supplementary budget featuring measures to help arrest the yen's appreciation and solution to recent terrorist incidents, such as the March lethal gas attack on Tokyo subways.

Murayama Views Wartime Responsibility

OW0205051595 Tokyo KYODO in English 0434 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—Prime minister Tomiichi Murayama, ahead of his first visit to China as prime minister, stressed Tuesday [2 May] the importance of Japan's making efforts toward peace by reflecting on its history of waging war.

"It is important to make efforts toward peace by facing up to the history that Japan's aggressive actions and colonial rule caused unbearable pain and sorrow to many people," Murayama said in an interview with reporters at his official residence.

"The Japan-China relationship is quite important to help develop the Asia-Pacific region, to which the world pays the most attention," Murayama said hours before departure for China on a five-day visit through Saturday.

"It is important for world peace to strengthen relations by frankly recognizing the past history of each other at this turning point, the 50th year since the end of World War II, and by mutual understanding," he added.

Murayama will meet separately with President Jiang Zemin and Premier Li Peng in Beijing on Wednesday, government officials said.

During talks with Jiang, Murayama will confirm Japan's resolve to step up Sino-Japanese links toward peace and stability in Asia, the officials said.

Academics, Lawyers Urge 'No-War' Resolution

OW0105104795 Tokyo KYODO in English 1009 GMT 1 May 95

[FBIS Transcribed Text] Tokyo, May 1 KYODO—A group of academics and lawyers urged the Diet on Monday [1 May] to adopt a "no-war" resolution expressing remorse for Japan's wartime actions and apologizing to Asian peoples.

Aiko Utsumi, a professor of history of Japan-Asian relations at Keisen Jogakuen College, and several other group members released a statement calling for the resolution.

The statement asks that the proposed resolution include recognition that Japan forcibly colonized the Korean peninsula and waged a war of aggression in China before and during World War II.

The resolution should also vow that Japan will study Asian people's sufferings and compensate them, the statement said.

Some Diet members object to passing such a resolution, but if one is not adopted it will represent a political crisis and shame the Japanese people, it said.

The group will submit the statement, supported by 71 people including 1994 Nobel Prize for literature laureate

Kenzaburo Oe, to the heads of both houses of the Diet and senior members of a joint panel of three ruling parties on the issue.

The three ruling coalition parties plan to adopt a resolution by this summer, when Japan marks the 50th anniversary of its defeat in World War II, but a number of members of the major coalition bloc, the Liberal Democratic Party, are against the program.

Prefectural War Resolutions Omit Apologies

OW0205103695 Tokyo KYODO in English 0934 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—Eighteen of the nation's 47 prefectural assemblies adopted resolutions between October and March to mourn Japanese war dead, but none expressed remorse or an apology for Japan's acts of aggression in Asia, a KYODO NEWS SERVICE survey showed Tuesday [2 May].

The Shiga prefectural assembly was the first to pass a resolution in October to commemorate Japanese killed in World War II.

The prefectural assemblies of Chiba, Toyama, Gifu, Okayama, Shimane, Kagawa, Ehime, Kochi, Fukuoka, Kumamoto and Oita followed suit in December, while Aomori, Iwate, Yamagata, Tochigi, Ibaraki and Miyazaki were next in March.

In the resolutions, the Shiga, Gifu, Okayama and Miyazaki assemblies expressed appreciation to the war dead, while Shiga and Miyazaki described the war as a "national crisis" during the 1926-89 era of the late Emperor Showa.

Resolutions from the Iwate, Toyama and Kagawa assemblies showed remorse for the war, with the Kagawa resolution putting forth "deep remorse" for the suffering of Asians victimized by Japan.

However, no assembly expressed remorse or an apology for the nation's aggressive actions in Asia.

In Iwate, assembly members from the Social Democratic Party, which belongs to the tripartite ruling coalition, initially urged adoption of a Diet resolution pledging that Japan will never again wage war.

However, due to opposition from some members of the major ruling Liberal Democratic Party, reference to "acts of aggression" was removed.

In Ehime, a citizens' group has filed suit demanding nullification of the resolution mourning the dead, saying it justifies and beautifies Japan's war of aggression.

Meanwhile, the Fukuoka assembly has asked the government to pay redress to Asians.

Public attention is focused on whether the Diet will adopt the no-war resolution, with Aug. 15 marking the 50th anniversary of Japan's defeat in World War II.

Minister Urges Global Gun Control Cooperation

OW0105105095 Tokyo KYODO in English 0945 GMT 1 May 95

[FBIS Transcribed Text] Cairo, May 1 KYODO—Japanese Justice Minister Isao Maeda called Monday [1 May] for global cooperation in controlling the illicit international trade in firearms, saying that Japan would consider funding a worldwide study on gun control.

Speaking to the Ninth UN Congress on the Prevention of Crime and the Treatment of Offenders which opened in Cairo over the weekend, Maeda outlined Japan's proposal for a resolution on gun control to be considered by the conference.

Maeda said that even while Japan enforces "some of the most strict laws on firearms in the world," illegal possession of firearms has started to spread among the general public, increasingly anxious about public safety.

The increase in crimes involving firearms, however, is not just limited to Japan, but is a "global problem," Maeda said.

"It is urgently necessary to take global action to effectively cope with the illicit traffic in firearms," Maeda said in introducing the draft resolution.

"I am pleased to announce that Japan is looking into the funding for a study which this draft resolution requests the secretariat to initiate on firearms problems and systems to control them," the justice minister said.

Touching upon two "heinous crimes" that occurred in Tokyo recently, Maeda explained the government's efforts to solve the sarin nerve gas attack on the Tokyo subway system March 20 and the shooting of the National Police Agency chief 10 days later.

He urged nations that had not yet signed the UN chemical weapons ban treaty to ratify the convention.

"Taking into account the fact that chemical weapons are available not only to states but also to criminals, there is an urgent need to totally eliminate those weapons," Maeda said.

In calling for enhanced international cooperation in crime control, Maeda noted that Japan arranges training courses and seminars on criminal justice and police administration through the UN Asia and Far East Institute for the Prevention of Crime.

Japan has also assigned a regional adviser to the Economic and Social Commission for Asia and the Pacific (ESCAP) to serve as an adviser on crime prevention and justice, Maeda said.

MITI To Help Russian Firms Promote Exports

OW0205072695 Tokyo SANKEI SHIMBUN in Japanese 1 May 95 Morning Edition p 3

[FBIS Translated Text] On 29 April, the Ministry of International Trade and Industry [MITI] drew up a "trade and industrial assistance plan" aimed at helping Russia earn foreign currency and promote market economy. In an effort to help Russian enterprises promote exports, the plan calls for an exchange of commodity information through databases between Japanese and Russian enterprises interested in Russia-Japan trade. MITI also will launch an industrial cooperation plan in May, at the earliest, which is designed to link Japanese and Russian enterprises in joint ventures if they wish.

MPT Seeks More Open Communications Markets

OW3004135495 Tokyo NIHON KEIZAI SHIMBUN in Japanese 22 Apr 95 Morning Edition p 5

[FBIS Translated Text] The Ministry of Posts and Telecommunications [MPT] plans to ask Germany and France to open their telecommunications markets to foreign access and introduce the principle of competition in such markets. The ministry plans to convey its requests at World Trade Organization (WTO) negotiations over basic telecommunications in Geneva early next week. This will be the first case in which the MPT will formally ask Germany and France to give Japanese firms a chance to advance into their markets. Since the United States is expected to definitely support Japan's bid, there is a good possibility that added impetus will be given to efforts to liberalize the European telecommunications markets.

WTO negotiations on basic telecommunications, while centering around bilateral negotiations, are aimed at promoting telecommunications market liberalization among various countries. Currently, 38 countries are participating in the negotiations, hoping to reach an agreement by late April 1996. At working-level meetings scheduled to start on 24 April, the MPT plans to press about 10 countries into taking concrete steps toward opening their markets.

The most notable point is that the MPT plans to press demands against European countries which still operate telecommunications services as state-run monopolies. Japan has already approved foreign investors to finance up to one-third of the total investment for domestic telecommunications firms. For example, the French Telecom Corporation has been allowed to invest in a Japanese mobile telecommunications firm. The MPT reportedly plans to ask Germany and France to ease their regulations to the level that Japan has eased its regulations. However, it is still uncertain as to whether France—unlike Germany, which has already shown a flexible stance—will respond positively.

Meanwhile, the MPT plans to ask the United States for more transparency in state regulations concerning the telecommunications services sector. In the United States, regulations regarding telecommunications services are divided at the federal and state levels, and there has been a delay in making state regulations more transparent in comparison to federal regulations. The MPT also plans to urge the United States to mutually abolish regulations regarding radio station licenses.

Hashimoto Departs To Attend Quad Trade Meeting

OW0205111695 Tokyo KYODO in English 1057 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—International Trade and Industry Minister Ryutaro Hashimoto left Tokyo on Tuesday [2 May] evening to attend a "quadrilateral" trade ministers' meeting in Canada.

Trade ministers from Japan, the United States, Canada and the European Union are meeting in the three-day gathering starting Wednesday in Whistler, a resort town near Vancouver.

It is the first such gathering since the Jan. 1 launch of the World Trade Organization (WTO), and the trade ministers are expected to discuss the global trading order under the new trade watchdog.

Hashimoto will meet U.S. Trade Representative Mickey Kantor on Wednesday prior to the quadrilateral gathering for talks on autos and auto parts trade between Japan and the United States.

Kono Returns From Trip to Croatia, Hungary

OW0205075795 Tokyo KYODO in English 0703 GMT 2 May 95

[FBIS Transcribed Text] Tokyo, May 2 KYODO—Foreign Minister Yohei Kono returned to Japan on Tuesday [2 May] from a five-day visit to Croatia and Hungary after discussions focusing on ways to end the three-year-old civil war in the former Yugoslav Republic of Bosnia-Herzegovina.

During the trip, Kono met the head of a UN peacekeeping mission in Bosnia, Yasushi Akashi, and local government leaders, including Croatian President Franjo Tudjman and Hungarian Prime Minister Gyula Horn.

Key Industries To Review Production Plans

OW0205011695 Tokyo ASAHI SHIMBUN in Japanese 20 Apr 95 Morning Edition p 12

[FBIS Translated Text] Following the rapid appreciation of the yen, it is possible that electric appliance manufacturers and auto makers, Japan's key industries, may make major changes to their production and equipment investment plans. They will do that because it is expected that the current economic cycle—which shows increased semiconductor production over last year, one of the foundations of the industry's production plan, and increased demand for cars—will move toward a downturn. Another reason is that the strong yen is expected to make the decline even deeper. A cycle—in which the price of old-generation semiconductors, which were the major products in the market, drop when a better integrated circuit is developed—and global economic change are the main causes of semiconductor "silicon cycle." The silicon cycle is currently at its peak.

An analyst at a major bank predicts that although this peak will last for another year or two, the current increase in the rate of semiconductor production will drop after that. In the case of DRAM (dynamic random access memory), the price of 4-megabyte chip, which is the current main commodity in the market, will drop when production of the 16-megabyte chip increases.

As a result, it is predicted that companies will have difficulty maintaining the current price of 4-megabyte chips, let alone increasing it to keep up with the yen's appreciation.

It is certain that this fiscal year's investment in plant and equipment by the five major semiconductor producers—NEC Corporation, Toshiba Corporation, Hitachi Ltd., Mitsubishi Electric Corporation, and Fujitsu Ltd.—will total more than 540 billion yen, the figure for the previous fiscal year. However, it seems the rapid appreciation of the yen will cast a shadow over their investment plans.

Meanwhile, some people believe that the Japan-U.S. auto trade cycle, which shows changes in the numbers of cars sold, indicates that auto sales in the United States will reach their peak in 1995 at the earliest, and will begin to go down over the period 1995 to 2000. It is also expected that annual auto sales in Japan will reach their peak of 7.4 million vehicles (13 percent more than the number sold in 1994), in 1996 at the earliest, mainly because consumers will begin to buy new cars as car inspection stickers on their old cars expire. After that, domestic auto sales are expected to drop over the next three years until 1999.

Between 1991 and 1993 Japanese auto makers strengthened efforts to sell their U.S.-made cars on the U.S. auto market, where demand expanded at the same time that Japan's domestic demand dropped. The decision was reflected in their business results. However, it is expected that demand in both the Japanese and U.S. auto markets will continue to drop after 1997.

Auto Sales Rise for 11 Months Running

OW0105104895 Tokyo KYODO in English 1001 GMT 1 May 95

[FBIS Transcribed Text] Tokyo, May 1 KYODO—Domestic sales of new vehicles in Japan in April increased for the 11th month in a row but the year-on-year growth rate shrank sharply after double-digit growth in the two preceding months, an industry association said Monday [1 May].

The Japan Automobile Dealers Association said sales of cars, trucks and buses, excluding mini models, totaled 374,721, up 0.5 percent over a year earlier but sharply down 50.4 percent from March.

Imported cars accounted for 26,709, up 10.1 percent but the growth rate showed signs of leveling off, the association said.

The strong yen and weak stock prices apparently discouraged consumer enthusiasm about spending, and the April performance obscured the future outlook of the market as automakers are preparing to introduce new models in may, association officials said.

The 0.5 percent year-on-year sales growth rate recorded in April was the lowest since June last year when the domestic automobile market showed signs of recovery, they said.

The association said the April sales included 251,583 passenger cars, down 3.0 percent, the first drop since last June.

Sales of cars with an engine capacity of over 2001 cc climbed 16.1 percent to 60,144 while those with a smaller capacity slumped 7.7 percent to 191,439, it said.

The association said sales of trucks gained for the 12th straight month since May last year, gaining 8.5 percent to 121,300.

Sales of buses rose 7.8 percent to 1,838, it said.

The association said the April sales brought to 1,846,161 the total number of vehicles sold in the first four months of this year.

It said six of 11 major automakers reported sales gains while the remaining five, including industry leader Toyota Motor Corp., saw their sales decline.

Honda Motor Co. reported sales growth of 18.1 percent to 28,387 while Mitsubishi Motors Corp. saw its sales rise 8.3 percent to 37,897, it said.

Fuji Heavy Industries Ltd., the maker of Subaru cars, increased its sales 3.3 percent to 8,837 while Nissan Motor Co., Japan's No. 2 automaker, saw its sales grow 6.4 percent to 73,718.

Toyota's sales declined 5.4 percent to 148,691 while sales by Mazda Motor Co. slumped 5.3 percent to 22,954, the association said.

Editorial Comments on Textile Imports Curb

OW0205084595 Tokyo YOMIURI SHIMBUN in Japanese 22 Apr 95 Morning Edition p 3

[Editorial: "Self-Help Efforts Are More Important Than Import Restrictions"]

[FBIS Translated Text] The Ministry of International Trade and Industry (MITI) has launched a probe of textile imports to determine whether or not it is necessary to impose curbs in line with "safeguards" provided for under global rules.

The textile safeguards are based on a textile agreement under the World Trade Organization (WTO) that replaced the multifiber arrangement (MFA) under GATT. The WTO was inaugurated early this year.

While the United States and West Europe have invoked the safeguards against Asian countries ever since MFA enactment, it is Japan's first launch of a probe to study the advisability of invoking the safeguards.

Including the production of raw thread, raw cotton and cloth, dyeing, and the manufacturing of clothing, the textile industry is wide-ranging. However, the Japanese textile industry is declining year by year in the face of cheap imports, the strengthening yen, and the overall export competitiveness of Asian countries.

Being targeted in the MITI probe are 40-count cotton thread, cotton poplin, and broadcloth, all of which are the textile industry's core products. Over the past several years, imports of these products from China and Indonesia have sharply increased, and, as a result, domestic production has dropped drastically.

The Japanese textile industry's predicament can be understood to a certain extent, but it has to be noted that Japan developed its domestic economy under the blessing of free trade. Also, Japan is further promoting free trade through the WTO and the Asia-Pacific Economic Cooperation (APEC) forum. So it could never be desirable for Japan to take restrictive steps even though they are permissible under the WTO.

MITI will decide on the textile safeguards on imports within one year. In making the decision, MITI is urged to study the matter sufficiently and carefully.

At the same time, textile industries in exporting countries are urged to cooperate so restrictive measures can be avoided. It is natural for exports of competitive products to increase, but in the case of 40-count cotton thread, imports from China, Indonesia, and the ROK surged 1.7 times in 1994 over the previous year. Is this too not acute a rise?

What is required more than anything else is self-help efforts by the Japanese textile industry.

The MITI probe was started in response to requests from the Japan Spinners Association and other industrial organizations. They contend that "the industry will collapse if the rush of imports continues, and we need some time to promote structural changes."

AT the end of 1993, the Textile Industry Council, an advisory panel to the MITI minister, recommended structural improvements for the industry, such as bolstering systems for development of new products and upgrading production efficiency. In line with the recommendations, the government enacted a temporary law to improve the textile industry's structure. Based on this law, tax incentives and other support measures have been implemented since spring 1994.

Invoking the textile safeguards rule is accompanied by a condition that import restrictions are to be lifted if the domestic industry does not adequately tackle structural reform within a maximum term of three years in which import curbs are in force.

The entire textile industry, including producers of cotton thread and cloth, must carry out drastic structural reform and promote efforts to manufacture sophisticated and high-quality products so that it can survive in the 21st century.

Minutely pleated cloth, a hit product worldwide, and shape-memory cotton thread for shirts, which hardly wrinkle, have both been commercialized by Japanese manufacturers. It is important for the Japanese textile industry to be confident of its own potential.

North Korea

Paris Conference Urges Repatriation of Prisoners

SK0205051995 Pyongyang KCNA in English 0509 GMT 2 May 95

[FBIS Transcribed Text] Pyongyang, May 2 (KCNA)—The International Committee for the Release and Repatriation of the South Korean Unconverted Long-Term Prisoners and the International Association of Democratic Lawyers co-sponsored in Paris on April 22 an International Conference for the Repatriation of the Unconverted Long-Term Prisoners in South Korea.

The conference was participated in by prominent lawyers, representatives of political parties and organisations of many countries and of international organisations and social and academic figures of France.

The conferees observed a moment's silence in memory of the great leader President Kim Il-song.

Amar Bentoumi, former minister of justice of Algeria who is secretary general of the International Association of Democratic Lawyers, in the opening address, said to send longest-term prisoners of the world Kim In-so, Ham Se-hwan and Kim Yong-tae and other unconverted long-term prisoners in South Korea back to the northern half of Korea as they want is an urgent matter the solution of which brooks no further delay both in view of humanitarianism and in view of international law on the repatriation of POWs.

Robert Charvin, coordinator of the International Committee for the Release and Repatriation of the South Korean Unconverted Long- Term Prisoners and secretary general of the International Committee of Jurists for Democracy and Human Rights in South Korea, delivered a keynote report at the conference.

He said the repatriation issue of unconverted long-term prisoners including Kim In-so, Ham Se-hwan and Kim Yong-tae is one directly connected with the legal and institutional mechanism of the South Korean society and, at the same time, it is a problem of human rights that should be resolved at an early date.

"The purpose of our humanitarian activities calling for an early repatriation of Kim In-so, Ham Se-hwan and Kim Yong-tae, long-term prisoners, is to help them to be sent back to their hometowns so that they may spend their remaining years with their families and relatives and to look into the present situation of human rights with their fates as epitome, do away with the remnants of the Cold War era, make clear the essence of struggle for the defence of human rights and difficulties lying in its way and condemn the enemies of the human rights," he said.

The steps taken by the South Korean authorities to repress Kim In-so, Ham Se-hwan and Kim Yong-tae are illegal and unreasonable in view of the Article 88 of the Geneva Convention of 1949, in which it is stipulated that the POWs, who served their full term in prison should not be maltreated with a biased view and in view of the Article 118 of the same convention, in which it is stipulated that the POWs should be set free and repatriated as soon as possible.

Yi Song-ho, head of a delegation of the Democratic Lawyers Association of Korea, made a supplementary report and delegates of many countries took the floor at the conference.

Guy Dupre, secretary general of the International Liaison Committee for Reunification and Peace in Korea; J.F. Tealdi, vice- president of the International Organisation of Journalists; Hugh Stephens, coordinator of the British Commission of Inquiry of the International War Criminals Tribunal; Dario Ghisletta, deputy secretary general of the United Socialist Party of Switzerland; Jaime Ballesteros, secretary general of the Asian, African and Latin American Solidarity Committee of Spain; and other delegates were unanimous in calling for a powerful international campaign for the repatriation of the unconverted long-term prisoners.

A letter to the great leader Comrade Kim Chong-il was adopted at the conference.

The conference also adopted an appeal to the governments and political parties of all countries, international organisations and human rights organisations, a letter of protest to the traitor Kim Yong-sam, a resolution on dispatching an international fact-finding team to probe into the actual conditions of South Korean unconverted long-term prisoners and an action programme of the International Committee for the Release and Repatriation of the South Korean Unconverted Long-Term Prisoners.

The letter of protest strongly demands that the South Korean authorities take all steps, though belatedly, to send Kim In-so, Ham Se-hwan and Kim Yong-tae back to their hometowns as they want and in accordance with international law.

The resolution says that a three-member international fact- finding team which consists of the secretary general of the International Association of Democratic Lawyers, a French lawyer and a Belgian lawyer will be sent to South Korea in order to make a concrete investigation into the actual conditions of the long-term prisoners.

The action programme says that the International Committee for the Release and Repatriation of the South Korean Unconverted Long- Term Prisoners will inform the United Nations, the U.N. Commission on Human Rights and other special organisations, nongovernmental human rights organisations and international organisations of the actual conditions of the South Korean unconverted long-term prisoners and will conduct brisk activities for their repatriation.

The document also includes the formation of affiliated organisations in different parts of the world, the launching of a campaign for repatriation and international fund-raising drive, the dispatch of an international fact-finding team to South Korea and the like.

Family of Unconverted Prisoner Interviewed 30 Apr

SK0105150395 Pyongyang Korean Central Broadcasting Network in Korean 0100 GMT 1 May 95

[FBIS Translated Text] The family of Kim In-so, an unconverted long-term prisoner in South Korea, met with home and foreign reporters in Pyongyang on 30 April.

Attending the news conference were reporters of newspapers, news agency, and broadcasts in Pyongyang, and reporters of many nations, including Japan, the United States, England, France, and Germany, who came to our country to cover the Pyongyang International Sports and Cultural Festival for Peace.

At the news conference, Kim Hwa-sim, eldest daughter, Kim Chong-sim, second daughter, and Kim Pong-sun, younger sister of Kim In-so, were introduced. They made statements.

Speaking first, Kim Hwa-sim said that she parted with her father when she was five years old and she had not heard from him since a few months after her sister was born. In 1992, however, she had joyful news that her father, whom she thought died during the war, was alive. Three years have passed since that time, but her father has not returned.

Kim Chong-sim said that her father Kim Il-so, and old men Ham Se-hwan and Kim Yong-tae voluntarily joined the People's Army or went to South Korea with the People's Army in the period of the Korean war to defend the country and were taken prisoners by the belligerent party, while being active at guerrilla units, unable to come back during the days of the strategic retreat. She said that they should have been sent back to their hometowns according to the 51st Paragraph of Article 3 of the Korean Armistice Agreement when POW's were exchanged.

Nevertheless, she said, they had been kept behind bars in South Korea for many years as victims of the fascist National Security Law, refusing to be converted and still after they were released, they have been kept in South Korea, not being sent back to their hometowns in the North, contrary to humanitarianism and international law.

She showed pictures of her father Kim In-so, old men Ham Se-hwan and Kim Yong-tae, which were carried in South Korean papers and magazines, to the reporters.

Kim Pong-son said that in a letter to his daughter, her brother Kim In-son informed her that he has not been able to receive medical treatment although he is suffering from a disease, because he has no money. She asked if there is any other instance in the history of any nation of the world that barbarous torture has been enforced on POW's for scores of years in prison.

She said that old man Kim Yong-tae lost the sight in one eye due to a bullet wound when he was arrested, and he is leading his life with an ardent wish to meet his only son before he loses the sight in his other eye.

Kim Chong-sim said that old men Kim In-so, Ham Se-hwan, and Kim Yong-tae have no one to take care of them, nor have they money, even a penny, as the result of their long prison life. Therefore, the issue of repatriating them to the northern half of the Republic where their sons and brothers can take care of them is an urgent issue.

She pointed out that old men Kim In-so, Ham Se-hwan, and Kim Yong-tae suffered unprecedentedly cruel infringement upon their human rights and even at present, their human rights are being trampled underfoot. They are POW's, but were not treated as POW's according to international law and have been forced to serve in prison for a long time.

Stating that ideological freedom is the most important right of the rights of human beings, she said that old men Kim In-so, Ham Se-hwan and Kim Yong-tae suffered prison life for scores of years filled with cruel torture and oppression, only for the reason that they did not convert. Even after their prison terms, their activities have been oppressed by the evil law called the law on security surveillance. This was concretely exposed in the letter sent by old man Ham Se-hwan to his sister.

She then said that only the return of the unconverted long-term prisoners Kim In-so, Ham Se-hwan, and Kim Yong-tae can put an end to the infringement upon their human rights.

Kim Hwa-sim exposed that the South Korean authorities are blocking the repatriation of unconverted long-term prisoners under the absurd ruse that they are not classified as POW's because they were arrested while carrying out partisan activities, that they are so-called lawbreakers, and that they obtained South Korean nationality.

Kim Chong-sim said the U.S. Government is also held responsible for the issue of repatriating the unconverted long-term prisoners in South Korea because this issue was caused by the U.S. Army's failure to correctly implement its obligation of exchanging POW's as specified in the Korean Armistice Agreement it had directly signed. She stressed: The Republic returned all POW's in accordance with the demand of the Armistice Agreement and has recently returned even the remains of U.S. soldiers who died in the Korean war. However, the U.S. Army has yet to return live POW's.

She stated: The U.S. side promised to cooperate in the repatriation of the unconverted long-term prisoners at talks between the Republic and the United States held late last year on the repatriation of a U.S. military helicopter pilot arrested by our side when he illegally intruded into the airspace of the Republic. However, though several months have passed since then, we have heard nothing from the U.S. side.

She said that if the U.S. Government breaks its promise, it will fail to win the confidence of the world's people and that we hope the United States will keep its promise.

At the news conference, speakers asked reporters to actively carry out press activities for an early repatriation of the unconverted long-term prisoners in South Korea, so as to arouse international support.

Participants in the news conference watched a video tape including a telephone conversation between Kim In-so and his eldest daughter Kim Hwa-sim in Beijing in early April.

Talk Urges Abolition of National Security Law

SK0205014195 Pyongyang Korean Central Broadcasting Network in Korean 0650 GMT 29 Apr 95

[Dialogue between station reporters Chong Song-kang and Yi In-chun: "South Korea's National Security Law Is an Antireunification Fascist Evil Law That Completely Counters Dialogue With Fellow Countrymen"]

[FBIS Translated Text] [Yi In-chun] How are you?

[Chong Song-kang] Fine. How are you?

[Yi] Fine. The abolition of South Korea's National Security Law is an important issue that cannot be delayed any further. Let us discuss this today.

[Chong] Okay. Not only the South Korean people, but the broad range of the people in the world are loudly calling for the abolition of the fascist National Security Law. I think this is very natural. As you know, South Korea's National Security Law is an antinational and antireunification, evil law that is hostile to fellow countrymen and completely counters national unity. The interpretation of this evil law differs with each situation. The HANGYORE SINMUN sharply exposed that the ruling forces use the fascist National Security Law as an almighty means, but that it is an iron stick to which the popular masses' arms and legs are bound.

The Japan-based Korean paper MINJOK SIBO carried an article entitled, "Let Us Concentrate Our Efforts on Abolishing the National Security Law of South Korea." The article noted that Kim Yong-sam, who insisted on abolishing the National Security Law when he belonged to an opposition party, has been using the National Security Law as a sword to maintain power and as a lever for national confrontation ever since coming to power. The article also revealed that this is proved by the fact that many people from all walks of life have been arrested on charges of violating the fascist National Security Law since the invention of the so-called civilian government.

[Yi] The international community is loudly calling for the abolition of the fascist National Security Law, is it not?

[Chong] Yes, it is.

[Yi] International organizations, such as the UN Human Rights Committee, issued resolutions demanding the abolition of the National Security Law, and even the United States also officially expressed their hope for the abolition of the National Security Law of South Korea. These facts show that the abolition of the reactionary National Security Law of South Korea is not an issue that concerns South Korea alone, but a major trend in international public opinion.

However, far from abolishing the notorious National Security Law, a target of strong denunciation and opposition by the people at home and abroad, the puppet traitor Kim Yong-sam is mercilessly suppressing South Korean youths, students, and people engaged in the movement for independence, democracy, and reunification by invoking the fascist evil law.

[Chong] He really is. The puppet traitor Kim Yong-sam was once a victim of the National Security Law when he worked for the opposition party. At that time, he assiduously cried for the abolition of the National Security Law.

A South Korean religious paper reported: Some people thought that the first thing the civilian government would do was amend or abolish the various evil laws. In particular, they naturally thought that the National Security Law would be abolished because the president used to be one of its victims when he was with the opposition party. In regard to the people's demand for the abolition of the National Security Law, however, Kim Yong-sam strictly said upon coming into power, that he cannot abolish it even though he was a victim of the law. He even spoke such preposterous sophistry that now, after holding the reins of power, he has come to realize the necessity of the National Security Law.

The paper exposed: Kim Yong-sam said that the people at home and abroad are denouncing the National Security Law because it was improperly invoked in the past and said that it will never be abused in the civilian government. However, Kim Yong-sam is going against his words to cruelly infringe upon human rights by invoking the National Security Law.

[Yi] That is right. As the paper justly criticized, after he became president, traitor Kim Yong-sam absurdly said: The government's position is that it is impossible to abolish the National Security Law in a situation in which the country is divided into South and North. The government cannot amend the law unless someone's attitude changes.

He then began an undisguised oppression of the South Korean people's movement for independence, democracy, and reunification, threatening that he will never forgive those who do not abide by the National Security Law.

Now, the puppets headed by Kim Yong-sam are cruelly oppressing the patriotic forces, regarding patriotic reunification and democratic organizations, which carry out righteous activities for national unity and the country's reunification by invoking the National Security Law, as associations that benefit the enemy, and regarding all meetings and demonstrations held by the people for the fatherland's reunification as seditious meetings and illegal demonstrations.

[Chong] That is right.

[Yi] The puppets headed by Kim Yong-sam regard the National Alliance for the Country's Reunification, a nationwide reunification alliance of overseas compatriots, as an association benefiting the enemy, and do not allow its activities under the unfair ruse that it is an association controlled by the North, despite the fact that this group was formed upon the South's proposal as a civilian reunification movement organization operated under consent from the three sides—the North, the South, and overseas.

[Chong] That is right. Moreover, what cannot be overlooked is that Articles 1 and 2 of the reactionary National Security Law define all organizations at home and abroad, including the northern half of our Republic and the General Association of Koreans Residing in Japan, whose activities are based on so-called communist (?elements), as antistate associations.

As you know, the DPRK is an undaunted member of mankind and a dignified republic that maintains state-level relations with more than 130 countries in the world. No matter how the puppet traitor Kim Yong-sam maneuvers with tricks, we will remain unperturbed and undauntedly exert our sovereignty in the international arena as an independent, socialist country.

The colonial puppet traitor Kim Yong-sam retains the fascist National Security Law that defines our Republic as an antistate organization and is using the evil law to viciously oppress the patriotic reunification forces. The puppet traitor Kim Yong-sam's act is indeed a disgrace to the United Nations, a legitimate, international organization, as well as an insane act of disregarding many countries with which our Republic has relations.

[Yi] I agree with you. All these facts clearly show that the fascist National Security Law is a fascist evil law that thoroughly serves the South Korean dictators in accordance with the demand of their ruling system and that unless abolished, renders impossible not only humanitarian exchanges between separated families and relatives, but also dialogue or improvement in relations between the North and the South.

[Chong] That is right.

[Yi] The puppets headed by Kim Yong-sam are mentioning such illusory words as economic cooperation and freedom of travel, while leaving the reactionary National Security Law as it is. This behavior is an intolerable derision of the people's reunification will.

[Chong] It really is. The puppets headed by Kim Yong-sam, who maintain the antinational and antireunification National Security Law, are not qualified to talk about reunification and cannot be our sincere dialogue partner. The traitor Kim Yong-sam group can be called historic dregs that are at the end of its destiny with the fascist National Security Law. The 70 million compatriots in the North, the South, and overseas will overcome the adverse tide of division with the vibrant trend toward reunification, will encourage the great national unity on the ground where the National Security Law has been abolished, and will achieve reunification in the 1990's without fail.

[Yi] They certainly will. Let us conclude our discussion for today.

Foreigners Attending Pyongyang Festival Cited

SK0205112995 Pyongyang KCNA in English 1028 GMT 2 May 95

[FBIS Transcribed Text] Pyongyang, May 2 (KCNA)—President of the New Japan Pro-wrestling Co., Ltd. Kanji Inoki who is leader of the Japan Sports Peace Party and member of the House of Councillors and a U.S. pro-wrestling star Ric Flair who attended the Pyongyang International Sports and Cultural Festival for Peace were interviewed by home and foreign reporters on May 1 prior to their departure.

Stressing that the Pyongyang festival was a successful grand festival, Kanji Inoki said first:

"I extend whole-hearted thanks to the people of the Democratic People's Republic of Korea who paid sincere efforts for the successful holding of the festival and, in particular, to his excellency respected Kim Chong-il for his warm care."

Turning to the fact that some people thought the DPRK a "closed country", he said it proved, through this festival, to be a false propaganda based on incorrect reports.

Noting that it is important to deepen understanding and friendship between peoples through exchanges, he said that "I came to know, in particular, that I should work harder in this field to batter down the political barrier".

Then, Ric Flair said:

"Before leaving this beautiful and peaceful country, I would like to make a tribute to the great leader Mr. Kim Il-song who had devoted all his life to the Korean people's happiness, prosperity and the Korean reunification." He said that, on behalf of the United States' pro-wrestlers, he extended deepest gratitude to the supreme leader of the Korean people, Mr. Kim Chong-il, who had shown great solicitude for the festival and enabled them to hold the festival successfully.

"During our stay here, we witnessed with our own eyes the Korean people's inexhaustible strength, happy life and saw their aspiration for independence, peace and friendship," he said.

"I was very much moved by the children's mass game. I am sure that their desire for the future will be realized without fail."

"It is because they are under the great leadership of Mr. Kim Chong-il and also have a very great discipline which can not be found everywhere in the world today."

"I have witnessed many great things such as the great leader's birthplace, from which I came to know why Koreans love and respect him very much," he said, stressing, "the great leader His Excellency President Kim Il-song will always be with us."

"Before coming here, I did not know the details about North Korea. But, through my different sightseeings in Korea, I have learned about your customs, ideas and aspiration".

"I wish Mr. Kim Chong-il a long life in good health," he said.

Reports on WPK Anniversary Activities Continue

NODONG SINMUN Urges Celebration

SK0205105995 Pyongyang KCNA in English 1021 GMT 2 May 95

["Response To Calls of WPK Central Committee Urged"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 2 (KCNA)—NODONG SINMUN today calls on the whole party, all the people and the whole Army to celebrate the 50th anniversary of the foundation of the Workers' Party of Korea [WPK] as a grand festival of victors, by vigorously struggling with a revolutionary drum-beating in hearty response to the calls of the WPK Central Committee.

The paper carries an editorial under the title "The Whole Party, All the People and the Whole Army, Turn Out as One in Implementing the Calls of the Party Central Committee".

The calls published on April 30 to mark the 50th anniversary of the WPK founding expound the significance of the anniversary and tasks and ways to further strengthen the party and the ranks of the revolution, promote socialist construction and vigorously accelerate national reunification and the working people's cause of independence on the basis of the valuable property made by the great leader President Kim Il-song all his life.

The editorial says:

The calls which embody the unswerving resolution and iron will of the great party and the requirement of the era and the revolutionary spirit are a banner which inspires the whole party, all the people and the whole Army in the general march to celebrate the 50th anniversary of the WPK founding with a high degree of political enthusiasm and brilliant achievements in labour and to advance our revolution on to a new higher stage.

The main idea of the calls of the party Central Committee is to develop and strengthen ours as the party of Comrade Kim Il-song forever, true to the leadership of the great Comrade Kim Chong-il, and continuously enhance its leadership role so as to make our country, our motherland built by Comrade Kim Il-song more prosperous and accomplish the revolutionary cause of chuche in any circumstances.

All the party members and working people should decorate this year marking the 50th anniversaries of the WPK founding and Korea's liberation as a year of hope and fortune by thoroughly implementing the tasks set out in the calls of the party Central Committee with a new resolution and redoubled courage and in high spirits, well aware that they are blessed with great leaders generation after generation.

To uphold the leadership of the great leader Comrade Kim Chong-il is the most important and honorable thing in the struggle for implementing the tasks set out in the calls of the party Central Committee.

In this struggle, main emphasis must be put on displaying boundless loyalty to Comrade Kim Chong-il and thoroughly embodying his idea and leadership in all domains of the revolution and construction.

In order to fully demonstrate the strong mettle of our people who live and advance in the spirit of single-hearted unity, we must push forward all work in the best way to significantly celebrate the 50th anniversary of the WPK founding, more closely united behind the great Comrade Kim Chong-il.

People Urged To Unite Behind CC

SK0105120395 Pyongyang KCNA in English 0835 GMT 1 May 95

[FBIS Transcribed Text] Pyongyang, May 1 (KCNA)—The Central Committee [CC] of the Workers' Party of Korea [WPK] in the calls published on April 30 on the occasion of the 50th anniversary of its founding appeals to the entire party members and other working people to firmly unite behind the party Central Committee in one mind and make a powerful general march to accelerate the socialist cause, overcoming ordeals and challenges of history, true to the behests of the great leader Comrade Kim Il-song.

The calls note that the great Comrade Kim Il-song is the founder and builder of our party, state and Army, the father of the nation and the progenitor of socialist Korea.

They stress the need to uphold the great leader Comrade Kim Il- song as the eternal leader of our party and people, the sun of chuche, for all ages, and accomplish the revolutionary cause of chuche, true to his behests.

They state that the great leader Comrade Kim Chong-il is a great statesman, a great strategist and an ever-victorious iron-willed brilliant commander who is leading our party, people and revolutionary Armed Forces to a victory with the outstanding ideas and leadership ability.

The great leader Comrade Kim Il-song means the great leader Comrade Kim Chong-il and the latter means our party, the calls say.

They call for becoming true loyal subjects who firmly defend Comrade Kim Chong-il politically and ideologically and with their lives and firmly trust and follow only him with a single heart.

The calls say that the Workers' Party of Korea, the organizer and guide of all victories of our people, should be strengthened into a revolutionary party of chuche type forever and the whole party should rally closer around respected Comrade Kim Chong-il, upholding the behests of the great leader Comrade Kim Il-song.

Noting that it is the noble historical mission of our party to accomplish the cause of socialism to the end, the calls appeal to the people to firmly defend and boundlessly exalt socialism of our style under the banner of the chuche idea.

The modelling of the whole of society on the chuche idea should be promoted to make our country, our motherland liberated by the great leader comrade Kim Il-song, more prosperous, and display our nation shining with his august name as a more powerful and prospering nation to the whole world, the calls state.

The calls appeal to the whole party, the whole country and all the people to turn out with unusual consciousness and determination and make a turn in socialist economic construction and smash the economic blockade of imperialism with the revolutionary economic strategy.

They call upon the whole party, the entire people and all the Army to rise up to cement as an impregnable fortress the nation's defence capability, the firm guarantee for defending socialism of our style and accomplishing the revolutionary cause of chuche.

They stress the need to become rifles and bombs to defend respected Supreme Commander Comrade Kim Chong-il and make full combat preparations of the People's Army, wholeheartedly upholding the behests of Comrade Kim Il-song.

They lay stress on achieving national reunification at an early date, upholding the cause of reunification of Comrade Kim Il-song, the father of the nation.

They point to greeting the 50th anniversary of the liberation of the country as a grand reunification festival in which Korean people in the North, the South and overseas will take part and making this a significant year to make a breakthrough for the reunification in the 90s.

They call for actively struggling to make the international community independent and democratic and build a free, peaceful and friendly, new world free from domination and subjugation under the uplifted banner of independence, peace and friendship.

Slogans Issued on Anniversary

SK0205081395 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 30 Apr 95

["Slogans" of the Workers Party of Korea Central Committee on the occasion of the 50th anniversary of the party's founding]

[FBIS Translated Text] Our party and people will soon greet the 50th anniversary of the founding of the Workers Party of Korea [WPK].

The founding of our party 50 years ago by the great leader Comrade Kim Il-song was a significant event declaring the birth of the chuche-type revolutionary party for the first time in the party-building history of the working class, and was a historic event that opened a basic turn in shaping our people's destiny and in our revolutionary struggle.

For the 50 years since its founding, and for nearly 70 years since it began taking root, our party has traversed the most glorious path, shining with great struggle and victory by overcoming repeated difficulties and trials.

Under the wise leadership of the great leader Comrade Kim Il-song, the WPK pioneered the road of the times and of the revolution by upholding the banner of the chuche idea and by victoriously carrying to accomplishment the many-stage revolutionary struggle and construction work. Thus, it completely renovated the nation's countenance and made immortal achievements by opening a new era of national prosperity and development on this land.

Our party members and people made it a tradition each year to greet the anniversary of the party's founding by upholding the great leader Comrade Kim Il-song, the founder of the party, overflowing with pride and joy. However, their regrets and deep sorrow for being unable to uphold the founder of their party in greeting the 50th anniversary of the party founding cannot be compared to anything.

The benevolent image and immortal achievements of the great leader Comrade Kim Il-song, who founded our party and led it to victory, shine as the symbol of advance, struggle, and victory along with our party's banner in which the hammer, sickle, and pen are engraved. His image and achievements are cherished in the people's hearts more deeply as time passes.

The great leader [yongdoja] Comrade Kim Chong-il is standing in the van of the historic struggle to carry to accomplishment the revolutionary and chuche cause of party building, the origin of which was instigated by the great leader and which was led by him for more than 70 years.

Today all our party members and people are filled with new resolution, determination, and courage, cherishing deep in their hearts the boundless honor and happiness in enjoying the blessings of the leader for generation after generation. They are accelerating the march of 1995 that will be recorded in history as a hopeful year and as a year of good fortune.

The 50th anniversary of the party's founding is a significant event displaying a half century of the proud history and achievements of our party, and is an important occasion for demonstrating the lofty authority and dignity of our party. Our party is the ever-victorious indomitable party that has been disciplined and tested amid the storm of revolution, and is confidently leading the popular masses' cause of independence.

On the occasion of the 50th anniversary of the party's founding, effecting a great turn in all domains of party building, revolution, and construction is an incomparably lofty mission for our party and people who went through all kinds of hardships with the party on the arduous revolutionary path.

The WPK is the genuine party of the leader that remains unswervingly loyal to the leader [suryong] and his cause, and that staunchly inherited the revolutionary bloodline provided by him.

The chuche idea created by the great leader Comrade Kim Il-song and the revolutionary tradition provided by him are purely filled in the entire party; our party is leading the revolution and construction in the manner of the leader. This is the very genuine appearance of the WPK today.

It is the unanimous aspiration of our party members and people, as well as the rock-firm will of our party, to strengthen and develop forever the WPK as a chuche revolutionary party and to accomplish to the end the cause of the Korean revolution pioneered by the leader by enhancing its guiding role.

All party members and people should vigorously carry out the general march to accelerate the socialist cause in firm unity with the party Central Committee with one mind and will by upholding the great leader Comrade Kim Il-song's lifetime teachings and by overcoming trials and the challenge of history.

Today's general march is the sacred struggle to hold the great leader Comrade Kim Il-song in high esteem forever and to consolidate the precious revolutionary assets provided by the leader, who dedicated his entire life to them, as the permanent wealth and treasure of the party and the revolution. This march is one of loyalty to fulfill the revolutionary obligation as genuine fighters and disciples of the great leader Comrade Kim Il-song.

Today's general march is a great worthwhile movement to make wealthier and stronger our great socialist nation with its 5,000-year history, which is displaying its pride to the entire world, and to glorify the prosperous era of the Workers Party.

As long as there is the firm foundation of our party, which was provided by the great leader Comrade Kim Il-song and which will never be shaken; as long as there is the revolutionary party, the Army, and the heroic people, including the young masses; and as long as there is the refined leadership of the party, there is nothing we are afraid of and nothing we cannot accomplish.

In the firm belief that all party members and workers will effect a new upsurge in the struggle to strengthen the party and accelerate socialist construction by keenly realizing the solemn demand of the time and the revolution, the WPK Central Committee announces the slogans of the party Central Committee on the occasion of the 50th anniversary of the party founding.

The great Comrade Kim Il-song is the founder and builder of our party, state, and Army as well as the father of the nation. He is the founder of socialist Korea.

Long live Comrade Kim Il-song, the great leader of our party and people!

The great leader Comrade Kim Il-song is with us forever!

Let us hold the great Comrade Kim Il-song in high esteem forever as the permanent leader of our party and people and as the sun of chuche!

Let us unswervingly defend, protect, and glorify forever for generation after generation the immortal revolutionary achievements made by the great leader to the fatherland, the people, the time, and the revolution!

Let us carry to accomplishment the chuche revolutionary cause to the end by upholding the great leader Comrade Kim Il-song's lifetime teachings!

Let us actively follow and learn from the lofty communist traits of Comrade Kim Il-song, the great leader, the great revolutionary, and the great man!

Let us convey to coming generations the pride and honor in upholding the great Comrade Kim Il-song as the leader forever, and let us foster our next generation to be genuine sons and daughters of the leader!

Let us more thoroughly arm ourselves with the revolutionary idea of the great leader Comrade Kim Il-song!

Let us take the revolutionary ideas of the great leader Comrade Kim Il-song as the firm motto and faith for our struggle and life, and let us glorify them as the spirit of the nation forever!

By cherishing a loftier consciousness and a keener sense of obligation than we had during the lifetime of the great leader, let us fulfill our duties as loyalists and dutiful sons in safeguarding the leader's ideas and cause!

Let us more deeply research and understand the programmatic teachings given by the great leader Comrade Kim Il-song to their own domains and units, and let us thoroughly carry them to accomplishment!

Let us always unswervingly defend the purity of the great leader Comrade Kim Il-song's revolutionary idea, and let us uncompromisingly struggle to reject ideological elements that are counter to his idea!

The great leader [yongdoja] Comrade Kim Chong-il is the great politician, the great strategist, and ever-victorious iron-willed sagacious commander who is leading our party, people, and revolutionary Armed Forces along the single road of victory with outstanding ideas and leadership ability.

The great leader Comrade Kim Il-song is the very great leader Comrade Kim Chong-il, and the great Comrade Kim Chong-il is our very party.

Long live Comrade Kim Chong-il, the great leader of our party and people!

Let us remain unswervingly loyal to the leader's ideas and leadership by deeply cherishing in our hearts the blessings of the leaders that we enjoy generation after generation!

Keenly realizing that the future of our fatherland and the nation is bright because we are upholding the great leader, let us tenaciously defend and protect Comrade Kim Chong-il politically, ideologically, and with our lives!

Let us absolutize to the entire world and ensure in every way the lofty authority of the great Comrade Kim Chong-il who is the glorifying dignity of the chuche fatherland, our party's glory!

Let us advance by firmly grasping the ideas and theories of the great Comrade Kim Chong-il as the permanent lifeline of our party and revolution!

Let us become genuine loyalists who firmly trust in and follow only Comrade Kim Chong-il with devoted hearts!

Let us follow and learn from the lofty traits of Comrade Kim Chong-il, who has a moral sense of obligation to the leader of the revolution as well as a love for and sense of dedication to the people!

Let us become permanent companions of our party, who advance along the far and long revolutionary path by cherishing the rock-firm faith and conviction in victory that as long as there is the great leader Comrade Kim Chong-il, we will always be victorious!

Let us endlessly glorify the immortal revolutionary achievements provided by the great leader Comrade Kim Chong-il in all domains of revolution and construction!

It is a decisive guarantee for carrying to accomplishment the chuche revolutionary cause to the end to further strengthen and develop our party, which was founded by the great leader Comrade Kim Il-song and is being led by Comrade Kim Chong-il.

Long live the WPK, the organizer and guide of all victories of our people!

The great chuche idea is our party's everlasting, guiding idea. Let us strengthen and develop our party forever to be the chuche-type revolutionary party by assuming the great chuche idea as the only guideline!

Let us thoroughly dye the entire party with one color of the chuche idea!

Let us more firmly establish the unitary ideology system of the party in the entire party!

The revolutionary tradition achieved by the great leader Comrade Kim Il-song is our party's historic root and the permanent cornerstone of our revolution.

Let us unswervingly defend and protect our party's revolutionary tradition and brilliantly inherit and develop it!

The ideological, mental, and moral unity and cohesion of the entire party, which is based upon one center and one idea, are the source of firmness and invincibility of our party.

Long live our party's great unity and cohesion that will be inherited generation after generation!

Let the entire party unite and unite again around the respected Comrade Kim Chong-il by upholding the great leader Comrade Kim Il-song's lifetime teachings!

Let us constantly deepen the party's work by grasping work with men as the basis!

The cadres are our party's backbone unit and core force. Let us firmly organize the ranks of cadres and further enhance the revolutionary spirit, party spirit, the spirit of the working class and people-mindedness of the cadres!

By accepting the advanced elements who are loyal to the party and the revolution, and who have been tested in practice, let us qualitatively strengthen the party ranks!

Let all party members actively and sincerely participate in party life by cherishing the correct outlook on party organizations!

Let us constantly discipline and cultivate ourselves politically and ideologically in order to fulfill our mission as WPK members!

Let us thoroughly accomplish the five-point tasks of the party cell put forward by the great leader Comrade Kim Il-song!

Let us make all party cells loyal party cells!

Let us firmly organize party committees at all levels and enhance the militant functions and role of party organizations!

Let all party organizations and party members more firmly establish revolutionary discipline to move as one under the unitary leadership of the party Central Committee!

By firmly uniting the masses from all walks of life around the party, let us consolidate our party's mass foundation!

Let the working class fulfill the core role in carrying out the party's cause by further enhancing the revolutionary spirit, organizational nature, discipline, and cultural level!

Let peasants firmly defend socialist agricultural posts with the lofty awareness of being the worthy masters of farms!

Let us, the intellectuals, become the party's eternal companions, faithful supporters, wonderful advisers, and ardent defenders and thorough-going accomplishers of the party's policies.

The youths are the militant reserves and reliable supporters of our party. The party places firm trust in our youth, and the youth are upholding the party's cause in the vanguard.

Let us, the youth, brilliantly fulfill the honorable mission and role as the young vanguards upholding the party.

As the young communists defended the great leader Comrade Kim Il-song in a death-defying manner while looking up to and upholding him during the era of anti-Japanese revolutionary struggle, let us become loyal guards, death-defying corps members, lifeguards, and shock troops who are endlessly loyal to the respected and beloved Supreme Commander Comrade Kim Chong-il, our destiny.

Let us, the youth, become creators of exploits and young heroes in accomplishing the party's cause, while inheriting the indomitable spirit of the first and second generations of the revolution.

Let us further enhance the role of the working organizations, including the League of Socialist Working Youths of Korea, the General Federation of Trade Unions of Korea, and the Union of Agricultural Working People of Korea, which are the transmission belts linking the party with the popular masses.

Let us, the party organizations, more smoothly realize the party's guidance on administrative and economic work by doing the steering well.

Let us intensify the political guidance and policy guidance of party organizations in all sectors.

Let us further intensify the party's ideological work, while adhering only to the chuche idea.

Let us carry out the chuche-oriented ideological indoctrination in a positive manner in conformity with the demands of the developing reality.

Let us think and act in conformity with the demands of the chuche idea at any place and at any time, regarding the chuche idea as a revolutionary view of the world.

Let us become genuine revolutionary warriors who have made a revolutionary view of the leader [suryong], organizations, and the masses their habit.

Let us keep the loyalty to the party and the leader [suryong] as a revolutionary conviction, conscience, and noble moralistic duty, and thoroughly embody it in everyday life.

Let us accept our party's lines and policies as the most just ones, and regard them as absolute and as a faith.

Let us unconditionally and thoroughly accomplish the party's policies under the slogan "What the party decides, we will do!"

Let us live and work with the revolutionary spirit of Mt. Paektu, arming ourselves more firmly with the tradition of the anti-Japanese revolution.

Let us become Kim Hyoks and Cha Kwang-sus in the 1990's, while emulating the young communists who brightened the dawning era of the Korean revolution with loyalty.

Production, study, life—all in the manner of the anti-Japanese guerrillas!

Let us add endless luster to the immortal revolutionary achievements of the party and the leader by taking better care of the revolutionary battle sites and historical places of the revolution.

Let us reject the illusion about imperialism and the exploiting class, and carry on an uncompromising struggle against them.

Let us not forget that the further we are from the past days when we were exploited and suppressed, the greater today's happiness becomes.

Let us devote all our wisdom and energy, with the spirit of loving the country, the nation, and the people, to the prosperity and development of the fatherland.

Let us highly display the spirit that the Korean nation is the best; that is, the spirit about our leader [suryong], our party, the chuche idea, and our country's socialism being the best.

Let us thoroughly establish a collectivist attitude toward work, a mode of living under which we attach greater importance to the interests of society and people than to an individual person's interest, loving the organizations and groups.

Let us thoroughly guarantee sincerity, scientific nature, and good will in the ideological work.

Let us actively search for affirmative examples, which are being highly displayed among the workers, and generalize them on a wide-ranging scale.

Let us thoroughly organize and carry on the ideological work in conformity with the intentions and demands of the party, while more thoroughly accomplishing the party Central Committee's unitary guidance to ideological work.

Our party is a motherly party that leads and takes care of the destiny of the popular masses with a sense of total responsibility.

Let us help our party become a genuine guide, protector, and representative of the people, while embodying the great leader Comrade Kim Il-song's idea of serving the people like heaven.

Long live the benevolence-oriented politics of our party!

[FBIS Translated Text] Our people are a wonderful people who know how to uphold their leader [suryong] and their leader [yongdoja], think of the destiny of their fatherland and revolution, and return the favor of the party and the leader.

There is no greater honor and worth than to faithfully serve such wonderful people whom the great leader [suryongnim] fostered.

Serve the people! Holding high this slogan of the party, let us thoroughly embody the benevolence-oriented, all-embracing politics of our party.

Long live the single-hearted unity between the leader, the party, and the masses that is the revolutionary philosophy of our party and the basic principle of revolution!

Let us more firmly consolidate our party and the revolutionary ranks as a community in perfect harmony and of the same destiny, a community in which ideology and aspirations are as one and in which the destiny and the future are also one.

Let us live with the ideology of single-hearted unity, march forward with the spirit of single-hearted unity, and achieve greater victory with the might of single-hearted unity.

Let us defend single-hearted unity between the leader, the party, and the masses like the apple of one's eye, and consolidate such a unity in every manner.

To consummate the socialist cause to the end is our party's noble and historic mission; the road to achieving prosperity and development, and the boundless thriving of our fatherland and nation, lies in energetically pushing ahead with the socialist cause of chuche.

Socialism is science. Chuche-oriented socialism is ever-victorious and invincible due to its absolute truthfulness and superiority.

Long live man-centered socialism, socialism centered around the popular masses!

Let us resolutely defend, safeguard, and endlessly display our own style of socialism, holding high the banner of the chuche idea.

Let us devote our life to defending our socialism that we have achieved with blood and have established with creative labor.

Let us more highly display the superiority and vitality of our own style of socialism.

Let us imbue the entire society with the chuche idea.

Let us further enrich our country, our fatherland, which the great leader [suryongnim] regained, by accelerating the work of imbuing the entire society with the chuche idea.

This year is a meaningful year marking the 50th anniversary of our nation's liberation from the Japanese imperialists' colonial yoke. By accelerating the socialist cause of chuche, let us help our nation, which is shining with the esteemed name of the great leader [suryongnim], boasting of being a more powerful and prosperous nation to the whole world.

Let us further increase the might of the socialist fatherland by thoroughly accomplishing the revolutionary line of independence, self-reliance, and self-defense.

Long live the DPRK, our glorious fatherland!

Let us live in our own way.

Let us carry out party building, government building, and Army building all in our own manner as well as conduct ideological construction, economic construction, and cultural construction also in our own manner.

Let us organize and carry on the socialist life in a revolutionary fashion and in our own way.

Let us firmly adhere to the revolutionary principle and working-class-oriented position in the socialist construction.

To carry out the three revolutions—ideological, technological, and cultural—while fortifying the people's government and enhancing its function and role, is the general line for the socialist construction that the great leader Comrade Kim Il-song put forth.

Long live the general line for the socialist construction of our party!

Our people's government is our-style revolutionary government that our people chose and established themselves, and which the people manage and administer themselves.

Let us more firmly consolidate our people's government as a powerful weapon for revolution and construction.

Let us further enhance the function and role of the people's government as the representative of the popular masses' independent rights, the organizer of the people's creative ability, the householder of the people's everyday life, and the guardian of the people.

Let us better guarantee the position and rights of the popular masses as befitting the masters, while thoroughly embodying the independent demands and interests of the people in revolution and construction.

Let us firmly rally the popular masses around the party and highly display their creative ability, thereby helping the popular masses fulfill their responsibility and role as befitting the masters.

Let us help all people enjoy a valuable and happy life by guaranteeing the political, material, and cultural life of the popular masses in conformity with the demands of socialism.

Let us energetically push ahead with the three revolutions—ideological, technological, and cultural—in conformity with the demands of the idea of imbuing the whole society with the chuche idea.

Ideology, technology, and culture—all in conformity with the demands of chuche!

Let us give solid priority to the work of seizing the ideological fortress, while energetically pushing ahead with the struggle to seize the ideological fortress and the struggle to seize the material fortress at the same time in the socialist construction.

People's ideology determines everything. Let us fortify the socialist ideological position as an unconquerable bastion by energetically carrying out the ideological revolution.

Let us give priority to the work of remaking man and imbue all members of society with the revolution and working class.

Let us firmly cherish the conviction of the justness and victory of the cause of socialism.

Let us all live and struggle heroically.

Let us build our society into one strong, harmonious, great revolutionary family.

Let us make the entire society bloom with beautiful communist virtues.

Let us firmly establish the noble moral ethos of loving comrades, respecting teachers, and being polite to superiors.

Let us more vigorously conduct various mass movements, including the movement to win the three revolutions red flag and the Chong Chun-sil movement.

Let us firmly put up a mosquito net against the imperialists' ideological and cultural infiltration, and thoroughly prevent the enemy's demolition maneuvers from within.

The cultural revolution is the work to enhance the popular masses' creative ability and enable them to enjoy a socialist cultural life. Let us vigorously accelerate the cultural revolution and socialist culture-building, and bring about a full development and efflorescence of the chuche socialist national culture.

Let us popularize cultural work and make it part of the life of the masses, and enable the popular masses to fully enjoy a rich and diverse cultural and emotional life.

Let us accelerate the intellectualization of the entire society. Education is important work that determines the rise and fall of the country and the nation as well as the success and failure of socialist construction. Let us thoroughly implement the socialist education theses and bring forth a new innovation in the work of the education of the younger generation and in the work of training national cadres.

Let us bring forth an educational revolution in order to bring about an overall improvement of school educational work and decisively enhance the quality of education.

A song that excellently embodies the party's idea moves the hearts of a million-strong Army. Let us effect a great revolutionary upswing in all fields of literature and art with the same passion, spirit, and burning loyalty as we displayed when we created the five great revolutionary operas under the party's leadership.

Let the functionaries of the publication and reporting sector produce more revolutionary publications and reporting works, educating and arousing the masses with the pen of chuche.

Let us implement the party's chuche-oriented policy of preserving cultural remains and display our nation's spirit and wisdom.

Let us thoroughly implement our party's public health policy, and further solidify and develop the most superior socialist public health system of our country.

Let us popularize sports and make them part of the life of the masses in order to promote the working people's physical strength and further boost the country's sports technique.

Let us more thoroughly establish the production culture and life culture in all sectors and units. The most important task for our party today in carrying out the cause of socialism is to carry out economic construction well. Whether we undertake socialist economic construction well is a problem of vital interest that determines whether we can defend our own style of socialism that we advanced overcoming so many difficulties.

Let the entire party membership, all the country, and all the people rouse themselves up with an extraordinary resolve and determination to bring forth an upturn in socialist economic construction. Long live our party's self-reliant national economic construction line whose invincible vitality has been proven in socialist construction!

The most important problem in socialist economic construction at present is to implement the revolutionary economic strategy put forth by the party. The struggle to implement the party's revolutionary economic strategy is a rewarding struggle to drastically enhance the people's standard of living, give full play to the superiority and might of the popular mass-centered socialism of our own style, and bring forth a new phase in socialist construction. Let us thoroughly implement the party's revolutionary economic strategy and realize without fail the fatherly leader's behest on further enhancing our people's standard of living.

Let us crush the imperialists' economic blockade with a revolutionary economic strategy. Let us thoroughly achieve a revolutionary economic strategy so as to demonstrate once again the dignified appearance of our party and people that face nothing unachievable if they make up their mind to do it.

The most important front in implementing the revolutionary economic strategy is the agricultural front. Let us concentrate all our efforts on implementing the agriculture-first policy.

Let us give luster to the 50th anniversary of the party's founding with a rich harvest. Let functionaries and working people of the rural economic sector thoroughly implement the chuche agricultural method and increase the production of grain in order to fulfill their duty as masters responsible for the country's rice chest.

Let all members of farms do all their farming in a timely and tenacious manner for themselves under the slogan "The field on the farm is my field."

Develop rapidly all sectors of agricultural production, including livestock, pomiculture, sericulture, and industrial arts produce.

Let us solidify and further develop the successes of irrigation, electrification, mechanization, and scientization in rural areas.

Let the entire party membership, the entire country, and all the people actively support the rural area with labor, material, and technology.

Let us thoroughly realize the tasks of the socialist rural theses and give fuller play to the superiority of the socialist rural economic system.

Light industry has a large share in improving the people's standard of living. Let us uphold the party's light industry-first policy and further raise the blaze of the light industrial revolution.

Let us thoroughly implement the party's policy on simultaneously developing the central light industry and local industry and effect a new innovation in the production of the people's consumer goods.

Let us operate all light industrial plants at full capacity, normalize the production at a high level, increase the kinds of consumer goods, and enhance the quality of goods.

Let all the sectors of the people's economy wage a vigorous struggle for the production of the 3 August people's consumer goods as a movement of all the masses.

Let us implement the party's trade-first policy and bring forth a new innovation in trade. Let us massively develop trade, bringing forth a change in direction in external trade in conformity with the changing environment.

Let us actively pioneer external markets and abide by the principle of winning the confidence-first policy.

Firmly build the export goods production base, drastically increase the production of export goods, and massively develop the processing trade.

It is important in successfully fulfilling the strategic targets of the economic construction put forth by the party to develop the metal industry, giving priority to the coal industry, the electric power industry, and railway transport.

The coal industrial sector is the forefront of the grand march battle for the implementation of the party's revolutionary economic strategy. Let party members and working people of the coal industrial sector effect a new innovation in coal production with the high honor of defending the forefront of the people's economy. Let coal mines further speed up tunneling and pit-building.

The upsurge in socialist economic construction depends on the production of electric power. Let party members and working people of the electric power industrial sector operate all power stations at full capacity and increase electric power production to the maximum.

Accelerate the ongoing construction of large power stations, and build more small and medium hydroelectric power stations everywhere as a mass movement.

Reasonably organize alternative production, save electricity as best as possible, and use it as effectively as possible.

Let party members and working people of the railway transport sector transport more cargo more speedily, raising the blaze of the transport revolution. Let them work scrupulously for transport organization and command, effectively utilize the means of transport, and accelerate the introduction of heavy-duty railways. Let them establish rigorous discipline in railway transport.

The production of steel provides a breakthrough for the implementation of the party's revolutionary economic strategy. Let party members and working people of the metal industrial sector raise the torchlight of a new great upsurge with the same revolutionary passion and fighting spirit they displayed during the time of the Chollima upsurge.

Let all iron and steel mills normalize production at a high level and increase the production of the steel of various specifications and materials. Let them effect an innovation in iron mines, drastically increase iron ore production, and gather more scrap iron in all sectors and send it to metal plants.

Successfully carry out the honorable task entrusted by the party in all sectors of heavy industry—such as the mining industry, the construction materials industry, and forestry—and actively contribute to implementing the revolutionary economic strategy.

Let party members and working people of the machinery industrial sector increase the production of various modern farm machines such as tractors, trucks, and rice harvesting machines.

Let all the machinery plants actively assist the modernization of light industrial plants and massively produce various types of daily necessities.

Let party members and working people of the chemical industrial sector massively produce and send the chemical products necessary for agriculture and light industry. Let them undertake the maintenance of facilities in a timely and efficient manner; enhance the utility of facilities; and drastically increase the production of chemical fertilizer, agricultural chemicals, synthetic fiber, synthetic resins, and various types of basic chemical products.

Let the paper plants operate at full capacity and drastically increase the production of paper.

Let the party members and working people of the basic construction sector build intensively, giving priority to the essential facilities for implementing the party's revolutionary economic strategy.

Let us actively develop and utilize the underground, fishery, and forestry resources and conduct the tree planting and forestation work vigorously as an all-mass movement.

Accelerate the modernization of communications and better meet the ever-increasing demand for communications of the country.

Improve the urban management work and conduct the service revolution vigorously in order to satisfy the convenience of the people's life at a high-level.

The age in which we live is the age of science. We should develop science and technology rapidly under the banner of the technological revolution so as to make the country richer and stronger and enable the people to be better-off.

Let scientists and technicians devote their creative wisdom and talent to the struggle to make their country, their fatherland richer and stronger. Let them expeditiously solve the scientific and technological problems in implementing the party's revolutionary economic strategy and realizing the chucheization, modernization, and scientization of the people's economy. Let them devote themselves to the scientific research work to boost the country's scientific and technological standard to the world standard as soon as possible.

Intensify the mass technological innovation movement and actively introduce in production new devices for technological innovation.

Our party has put forth enhancing the role of the county and bringing forth an upturn in the people's living as an important policy for implementing the revolutionary economic strategy. If we enhance the role of the county and fully mobilize and utilize all resources and potentials in the provincial areas, we can enable the people to enjoy an affluent life everywhere—in mountainous areas, flat areas, and seaside areas.

Let all counties follow the examples of the Chonchon County commercial management station and Maengsan County and wage a vigorous struggle to solve more satisfactorily the problem of food, clothing, and shelter for the people of the county without turning to others for help.

Implement thoroughly the party's policy on well utilizing mountains where there are mountains and well utilizing the sea where there is sea.

Build the raw material base for oneself and push ahead steadily with the work of gathering and processing various kinds of natural materials.

Build the county well and comprehensively develop the economy and culture to make all the aspects of life of the county more prosperous.

Our party's revolutionary economic strategy demands more than ever before highly displaying the revolutionary spirit of self-reliance and fortitude. Let us brilliantly implement the party's revolutionary economic strategy with the same spirit as the anti-Japanese revolutionary martyrs displayed in the Paektu forest and with the same fighting spirit as the working class of Kangson and the 10 party members of Nagwon displayed.

Let us create miracles and exploits in socialist economic construction with a resolve to wage the struggle on our own even if we cannot get help from higher authorities although it will be an advantage if we get help from them.

Let all sectors and units highly display the revolutionary spirit of carrying out to the end the revolutionary task entrusted to them, taking responsibility for it and for themselves.

The success in implementing the party's revolutionary economic strategy depends importantly on the economic organizational work. Let us carry out the economic operation properly, work scrupulously for the economic organizational work, and command production responsibly on the principle of subordinating everything to the implementation of the party's revolutionary economic strategy.

Let us thoroughly implement the chuche socialist economic management system—the great Taean work system.

Let us thoroughly embody the mass line and the principle of scientific application in the economic management.

Let us intensify the system of the Administration Council taking the responsibility and the system of the Administration Council playing the central role in the economic work, and firmly ensure the unified guidance of the state for the economic work.

Establish the rigorous discipline and order of thoroughly implementing the decisions and directives of the Administration Council—the embodiment of our party's line and policy.

Let us revolutionarily improve the planning work in conformity with the demand of the party's economic strategy. Let all sectors and units carry out the targets of the people's economy daily, monthly, by quarter of the year, and by index without fail.

Let us work scrupulously for the materials supply work and intensively supply the materials and facilities to the major sectors and units.

Let us improve the labor management, facilities management, and financial management and thoroughly mobilize and utilize the internal reserves.

Let all sectors and units wage a vigorous struggle for increasing production and saving as an all-mass movement.

Let all sectors of the people's economy actively conduct the struggle to improve the quality of goods and thoroughly eliminate wastefulness, empty formalities, and vanity.

As the struggle to implement the party's revolutionary economic strategy is being vigorously waged, now is the time for all functionaries to work with high ideological resolution, pushing the highest power up. When the ideology of functionaries is brought into action, the zeal of the masses is enhanced; when the masses are brought into action, everything is settled.

Let all functionaries become genuine commanding members who firmly defend their outposts at any cost. Let us become Kim Chaek-type loyalists who devote their all to realizing the leader's [yongdoja] plan and intent, absolutely trusting their leader. Let us not forget even for a moment the pledge that was made with tears before the spirit of the departed fatherly leader, and let us put it into practice without fail.

Functionaries should open an advancing road with overflowing faith and optimism, standing at the head of the masses. Let us become loyal revolutionary fighters who uphold the party not with words but through practical success in their work. Let us become genuine fighters who work militantly and intensely while rejecting indolence and slack, and who can sacrifice themselves for the revolution.

Let us launch into the revolution without knowing self-interest, a desire for fame, and self-protection; let us use our brain for our work and run again and again. Let us superbly organize and mobilize all tasks in conformity with the party's intent and with a high appreciative political eye and novel conception and skill.

Functionaries should become the standard bearers of struggle who mingle with the masses and live with them as called for by the Chongsan-ri spirit and Chongsan-ri method, and who lead the masses through their practical model.

Deepening the country's defense capability as firm as a rock is a firm guarantee for safeguarding and defending the popular mass-centered socialism of our own style and for carrying out the chuche revolutionary cause to the end. Let the entire party, all the people, and the entire Army rise up and firmly deepen the country's defense capability.

Let us thoroughly implement our party's military line, the highlight of which includes the conversion of the entire Army into a cadre army, the modernization of the entire Army, the armament of all the people, and the fortification of the entire country.

The People's Army is the key force of the revolutionary armed forces of our party and the main force in consummating the chuche revolutionary cause. Let us model the entire Army after the chuche idea. Glory to the revolutionary armed forces that are loyal to our party. Let us firmly defend the chuche revolutionary cause with force of arms by strengthening the People's Army into the revolutionary armed forces of one-is-a-match-for-a-hundred.

Our People's Army has the political and ideological strength that is stronger than any modern weapon. Let us further strengthen the People's Army into the army of the leader [suryong], the army of the party, and the army of the revolution by vigorously waging political and ideological indoctrination work among soldiers.

The respected and beloved comrade supreme commander's leadership is the life of the People's Army. Let us follow the great leader's lifetime will and uphold with loyalty the respected and beloved comrade supreme commander's leadership. Let us fill the entire Army with the revolutionary ethos of unconditionally implementing the respected and beloved comrade supreme commander's orders and directives to the end. Let us thoroughly establish the revolutionary military discipline under which the entire Army moves as one according to the order of the respected and beloved comrade supreme commander.

Officers and men of the People's Army, let us become fortresses and shields that uphold the party with rifles and safeguard and defend our revolutionary cause with rifles. Let the entire Army become rifles and bombs that resolutely defend the respected and beloved comrade supreme commander. Let us fight, devoting our lives, for the respected and beloved supreme commander General Kim Chong-il.

Let us brilliantly carry on our revolutionary armed forces' tradition of loyalty to defend the party and the leader [suryong] at the forefront. Let us follow and learn from Comrade O Chung-hup, who was infinitely loyal to the headquarters of the revolution, and defend the respected and beloved comrade supreme commander with our lives.

Let us more thoroughly make combat preparations within the People's Army by upholding deep in our hearts the great leader's behests.

Let all officers and men of the People's Army firmly arm themselves with the ideology of our party's military strategy and chuche-oriented tactics.

The key to one-is-a-match-for-a-hundred lies in training. Let us make all officers and men all-mighty commanders and brave fighters of one-is-a-match-for-a-hundred by establishing a revolutionary training ethos in the entire Army. Let us make our People's Army a matchless, invincible, powerful army by thoroughly implementing the party's five-point training policy.

Let us more vigorously wage the struggle to modernize the arms and equipment of the People's Army. Let us defend our territory, our airspace, and our territorial waters like an impregnable fortress by strengthening the People's Army's political and military might by all means.

The iron-like military discipline is the life of military units and the source of combat capability. Let us strengthen the education in military regulations in the entire Army and more thoroughly establish the appearance as a regular army.

Highly exalting the laudable tradition of unity between officers and enlisted men, unity between the Army and the people, and unity between party members and members of the League of Socialist Working Youth of Korea is a decisive factor in strengthening the combat capability of the People's Army.

All commanders and soldiers should form one body, treasure and love each other, and highly display the ethos of sharing the destiny with each other.

Let officers and men of the People's Army highly display the laudable, noble custom of respecting the people and defending their property and lives at the sacrifice of their lives.

The People's Army is the defender of the fatherland and the creator of the people's happiness. Let officers and men of the People's Army fully display the heroic stamina of the revolutionary Army at socialist construction sites as intended by the party.

Let us provide the conditions for more outstanding material and cultural living for soldiers by strengthening rear-area services.

Strengthening the country's defense capability is work for the entire party and all the people. Let us firmly establish the all-people, all-state defense system by establishing the trait of attaching importance to military affairs. Let all the people sincerely learn military affairs so as to make the entire country covered with forests of rifles and bayonets in case of emergency.

Members of the Red Worker-Peasant Militia and members of the Red Youth Guards should make combat preparations and strengthen combat and political training in an alert posture.

Long live our party's ideology of unity between the Army and people.

Let us treasure and love the People's Army as blood brothers and actively support it. Let us more brilliantly bring into fuller bloom the laudable custom of unity between the Army and people, which is being highly enhanced in our society.

Let us further expand and develop the movement to defend our outposts and villages.

Let us keenly watch the new war provocation maneuvers of the imperialists and their stooges, and smash them at every phase.

The public security, judicial, and prosecution organs are the political defenders of the party and a mighty weapon of the class struggle. Public security, judicial, and prosecution functionaries should further strengthen the function of the dictatorship by the people's democracy in conformity with the demands of the prevailing situation and the developing revolution, and thus should reliably defend by law the popular mass-centered socialism of our own style.

Let us establish the revolutionary trait of abiding by laws in all of society so that all members of society can work and live according to the demands of laws and regulations.

Let us thoroughly overcome all sorts of unsound phenomena that destroy the most superior socialism of our own style. Let all sectors and all units thoroughly establish the revolutionary system, order, and discipline as well as strictly keeping the secret of the party, the state, and the military.

It is precisely party members who should stand at the forefront in today's struggle on the threshold of the felicitous 50th anniversary of the founding of the party.

All party members, you should not break the pledge that you made before the flag of the party at the time when you joined the party and should fill every moment of your life with exploits.

Let us become vanguard fighters leading the masses in difficult and toilsome work.

All party members and working people, it is your great honor to devote your strength and wisdom to building a great monumental creature that is to be erected according to our party's grand plan to hand down the great leader Comrade Kim Il-song's immortal achievements forever.

Let us outstandingly build the monument to the party foundation before 10 October so as to glorify the glorious history of our party.

Let soldier-builders successfully complete the construction of the monument to the Chongnyu Bridge second phase and Kumnung tunnel No. 2 before the 50th anniversary of the party founding.

Let all sectors and units greet the 50th anniversary of the party foundation with the dignity of providing proud labor gifts to the motherly party.

National reunification is the supreme duty of our party along with socialist construction. It is also an ardent and supreme national task that should not be delayed any longer.

The great leader Comrade Kim Il-song had devoted himself to independently, peacefully reunifying the fatherland from the first day of the national division until the last moment of his life. In this course, he had brought about great immortal achievements for the fatherland and the nation.

Let us achieve the fatherland's reunification at an early date, upholding the cause of reunification of the great leader, who is the father of the nation.

This year, which marks the 50th anniversary of the fatherland's liberation, is also a year that marks the 50th anniversary of the national division and the year of hopeful change that all fellow countrymen pledge to make the first year of the fatherland's reunification.

Let us greet the 50th anniversary of the fatherland's liberation as a grand reunification festival common to the nation in which the North and South and overseas will participate.

Let us open a grand national conference in which political parties, public organizations, and people from all walks of life in the North and South and abroad will get together and decide on the plan to reunify the fatherland.

Let us glorify this year as a year to pull down the barrier of division and achieve a breakthrough in achieving reunification in the nineties.

The three principles of independence, peaceful reunification, and great national unity are publicly acknowledged reunification principles common to the nation.

Let us resolutely maintain the three principles on the fatherland's reunification and thoroughly implement them and, thus, achieve a new turning point in achieving independent, peaceful reunification.

Let us reject interference from outside forces, check and frustrate the flunkeyist treacherous acts of the divisionist forces, and defend the dignity and independence of the nation.

Let us prevent the danger of war, turn the armistice into a durable peace mechanism, and defend peace in the country and national well-being.

Let us isolate the minority of antireunification forces who promote confrontation and division and achieve the great unity of the entire nation.

The most reasonable and realistic way of the fatherland's reunification is to establish confederation based on one nation, one state, two systems, and two governments.

Let us wage a nationwide struggle to destroy the South Korean rulers' divisionist illusion and implement the fairest and aboveboard proposal for founding the democratic confederal republic of Koryo.

The 10-Point Program of the Great Unity of the Entire Nation for the Reunification of the Fatherland, which the great leader Comrade Kim Il-song presented, is the most correct guideline for providing independent forces for reunification.

Let all parties, groupings, and people from all walks of life in the North, South, and overseas firmly unite under the banner of the 10-Point Program of the Great Unity of the Entire Nation, transcending differences in ideas and systems.

Let those with strength devote strength, those with knowledge give knowledge, and those with money donate money, thus making tangible contributions to the cause of national reunification.

Let personages from political circles and all other circles in society in the North, South, and abroad have contacts and exchange views among them and take joint steps on the road toward the fatherland's reunification.

Let reunification movement organizations in the North, South, and abroad unite their strengths to vigorously wage the joint struggle for the fatherland's reunification and further strengthen solidarity among the three sides in the struggle.

Let us expand and strengthen the National Alliance for the Country's Reunification, a nationwide reunification movement federation, and, thus, provide powerful, independent forces for the fatherland's reunification.

Let us thoroughly expose and destroy the anticommunist and anti-North maneuvers by the divisionist forces who are raving about the nonexistent southward aggression or communization and promoting enmity and confrontation between fellow countrymen.

South Korean people: A key to achieving a breakthrough in the fatherland's reunification lies in the South Korean workers, peasants, young people, students, and intellectuals who are directly fighting the divisionist forces.

South Korean people: Let us smash every criminal maneuver by the South Korean rulers—to seek treacheries, fascism, and division—under the uplifted banner of independence, democracy, and reunification.

Let us resolutely struggle to abolish the National Security Law and the Agency for National Security Planning, which block the fatherland's reunification and strangle democracy.

Let us achieve the ideological freedom to study and believe the chuche idea and other advanced ideas and the freedom to discuss reunification and carry out the reunification movement.

Let us frustrate the division and destruction maneuvers by the civilian fascist forces and achieve solidarity and unity among all reunification movement organizations.

Let us build a genuine independent, democratic regime in South Korea on the united strength of patriotic democratic forces.

We extend fraternal support and encouragement to the South Korean people's just patriotic struggle for independence, democracy, and reunification.

Overseas compatriots: The destinies of overseas compatriots are linked to the destiny of the fatherland.

Overseas compatriots: Let us live as enthusiastic patriots who devote themselves to the fatherland and the nation, wherever we are.

Officials of the General Association of Korean Residents in Japan [Chongnyon] and Korean residents in Japan: Let us accelerate the work of modeling Chongnyon after the chuche idea and more vigorously carry out patriotic work to defend democratic and national rights, achieve the prosperity and development of the socialist fatherland, and reunify the fatherland.

Let us glorify this year, the 40th anniversary of Chongnyon's founding, with greater achievements in Chongnyon's patriotic work.

All overseas compatriots: Let us cherish deep in our hearts the dignity of and pride in being countrymen of Tangun and countrymen of Kim Il-song and positively contribute to the cause of great national unity and the fatherland's reunification.

Seventy million fellow brothers and sisters: Let us achieve reunification in the nineties to give the posterity a reunified fatherland, upholding respected and beloved General Kim Chong-il as the lodestar of the fatherland's reunification.

Independence, peace, and friendship are the foreign-policy ideals of our party and the government of our Republic.

Let us make a great change in carrying out our foreign policy to comply with the demands of the turbulent era.

Let us make the international community independent and democratic under the uplifted banners of independence, peace, and friendship and positively wage the struggle to build a new free, peaceful, and friendly world free from domination and subjugation.

Let us seek global independence in firm unity with the peoples of all countries of the world who defend independence.

Let us resolutely smash the imperialists' maneuvers for domination, subjugation, aggression, and intervention.

Let us unite strength with all anti-imperialist, independent forces, transcending differences in social systems, political views, ideas, religions, nations, and races.

Let us strengthen internationalist unity and solidarity with revolutionary parties that consider socialism as their ideal.

Revolutionary parties and progressive people of the world: Let us strongly unite under the banner of the Pyongyang Declaration and defend and safeguard the socialist cause from the imperialists' antirevolutionary offensives and vigorously advance it.

We extend support to and solidarity with the struggles by revolutionary parties and peoples to rebuild socialism.

We extend support to and solidarity with the struggles by people who oppose exploitation and oppression by use of capital and aspire for socialism.

Let us further strengthen and develop the Nonaligned Movement under the uplifted banner of independence.

Let us destroy the old international political order and economic order of domination and subjugation and defend equality and independence in the international relations.

Let us oppose neocolonial exploitation and plundering of developing countries and develop South-South cooperation based on the principle of collective self-reliance.

Let us struggle against aggression and war and for a durable peace in Asia and the rest of the world.

Let us struggle for a total dismantlement of nuclear weapons.

Developing friendly and cooperative relations with all countries of the world that defend independence is our party's consistent position.

Let us unite with socialist countries and nonaligned countries and develop good-neighborly and friendly relations with capitalist countries that respect our country's independence.

We extend support to and solidarity with the struggle by people of all countries of the world against aggression and subjugation and for national sovereignty and independence.

On the 50th anniversary of the fatherland's liberation, our people are filled with great pride in maintaining and developing socialism of our own style under the party's leadership and a burning resolve to further strengthen our party's might and, thus, complete the chuche revolutionary cause to the end.

Let us vigorously fight to complete the socialist cause and hasten the fatherland's reunification at the behests of the great leader Comrade Kim Il-song and in strong unity around the great leader Comrade Kim Chong-il.

Let us greet the 50th anniversary of the WPK's founding with high political enthusiasm and brilliant labor achievements.

Long live the 50th anniversary of the honorable WPK's founding!

[Signed] WPK Central Committee
[Dated] 30 April 1995

Functions Held Abroad on Kim Il-song's Birthday

SK0205114995 Pyongyang KCNA in English 1035 GMT 2 May 95

[All names as received]

[FBIS Transcribed Text] Pyongyang, May 2 (KCNA)—Commemorative functions were held in foreign countries on the birth anniversary of the great leader President Kim Il-song.

The Arab and friendly political parties and movement forces for national liberation in Syria held a joint seminar under the title "Exploits of the Great Leader Comrade Kim Il-song Will Be Alive in Hearts of the Progressive People of the World Forever" in Damascus.

Member of the political bureau of the Communist Party of Syria (Bagdash) Abdul Wahav Rashwani said in his speech:

"Comrade Kim Il-song had achieved great success in building socialism by wisely leading the Korean people.

"Self-reliance in the economy achieved in Korea under his wise guidance is a model for the developing countries.

"Comrade Kim Il-song had also devoted everything to strengthening international solidarity.

"After the death of Comrade Kim Il-song, Comrade Kim Chong-il, the leader of Korea, is carrying forward his revolutionary cause."

A letter to Comrade Kim Chong-il was adopted at the seminar.

An appeal to political parties of the world advocating independence was also adopted at the seminar.

A joint seminar was held by the Kinsasha Group for the Study of Kim Chong-il's Chuche Idea in Zaire, the Society for the Study of Kim Chong-il's Works in Zaire and the Zairean Youth Group for the Study of the Chuche Idea, a joint seminar by the Burundi-Korea Friendship Association and the Burundi Group for the Study of the Chuche Idea and seminars by the Long Live General Kim Chong-il Fellowship Society of Benin, the Group for the Study of Kimchongilism of the Amerindian Action Movement of Guyana and the Malian First Group for the Study of Kimilsongism.

A lecture, a film show and photo and book exhibition took place at the Goeteborg branch of the Sweden-Korea Friendship Association, at Birkirkara Club of the Malta Labour Party, the State Academy of Science of Light Industry of Ukraine, the command of Airforce of Armed Forces and Neto University of Angola, the Kazakhstan Committee for Friendship and Cultural Relations With Foreign Countries, the Pakistan Work Federation, the Pakistan-Korea Youth Friendship Association and the Al Hadi Islamic Propaganda Organization of Iran.

Joint meetings were held in Cairo, Egypt, and at the Dinamo Military Academy under the Laotian Defence Ministry.

Daily on Reunification Through Confederation

SK0205133395 Pyongyang KCNA in English 1041 GMT 2 May 95

["Let Us Reunify Country Through Great National Unity With Pride of Homogeneous Nation"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, May 2 (KCNA)—"10-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country" personally authored and published by the great leader Comrade Kim Il-song is the banner of reconciliation and unity which enables all the Koreans desirous of reunification to pool their strength and take a road of patriotism, NODONG SINMUN in a by-lined article today says.

The article says:

Our nation has lived with the same blood, language and tradition of culture for five thousand years with King Tangun as its ancestral father. For such a nation to live, still divided into the North and the South, is an intolerable national shame and a heart-rending tragedy.

If our nation is to live in a harmonious way in a unified state as it did in the past, all the fellow countrymen in the North, the South and overseas must achieve great unity of the whole nation by taking the patriotic tradition of our resourceful nation.

Today there are different ideas and systems in the North and the South of our country, but our nation is one and the mind of the fellow countrymen aspiring after reunification is one. Even though divided into the North and the South, we are a homogeneous nation with a same blood that must live together in one territory.

No matter how big the differences in idea, ideology and system may be, the common interests of the nation based on patriotism and the spirit of national independence should be placed before anything else and the common desire for reunification be the foundation. Then great unity of the whole nation can be achieved.

When our fellow countrymen who have lived as a homogeneous nation through a five-thousand-year history and will live forever as one nation today and tomorrow, subordinate everything to the cause of national reunification, putting the common interests of the nation before anything else on the basis of patriotism and the spirit of national independence, a pan-national unified state can be established through a confederation, under which the North and the South can co-exist and achieve co-prosperity without being harmful to each other, with the two systems and the two governments existing in the North and the South left intact as they are.

South Korea

DPRK Acceptance of High-Level Talks Welcomed

SK0205031095 Seoul YONHAP in English 0302 GMT 2 May 95

[FBIS Transcribed Text] Seoul, May 2 (YONHAP)—South Korea Tuesday welcomed North Korea's acceptance of a proposal by the United States to hold high-level nuclear talks between nuclear ambassador Robert Gallucci of the United States and Vice Foreign Minister Kang Sok-chu of North Korea.

"We welcome North Korea's acceptance of the high-level nuclear talks without preconditions and consider it indicative of the north's attitude towards solving the light-water nuclear issue through dialogues," a Foreign Ministry spokesman said.

"South Korea will continue to stick to its position of providing Korean-made light-water nuclear reactors to North Korea and playing a central role in the light-water nuclear reactor project," said the spokesman.

He added that the venue and timing of the high-level talks have yet to be established, although it will be negotiated via the North Korean permanent mission in the United Nations.

South Korea will soon have consultations with the United States and Japan at the nuclear ambassadorial-level to develop a strategy for the high-level talks between Gallucci and Kang, expected to be held next week, according to the spokesman.

The three-way meeting between South Korea, the United States and Japan will deal with ways for the KEDO (Korean Peninsula Energy Development Organization) to smoothly implement the Geneva agreement between North Korea and the United States reached last October, the spokesman said.

He said that North Korea did not threaten to reload its 5-megawatt experimental nuclear reactor in the letter it sent to Gallucci dated Monday.

Although he refused to elaborate on the content of the letter sent to Gallucci by Kang Sok-chu which accepted a proposal for a fresh round of high-level nuclear talks, the spokesman said, "In the brief one-page fax letter, Kang reiterated North Korea's position on the light-water nuclear reactor issue."

As U.S. State Department Spokesman Nicholas Burns said in Monday's briefing, Kang Sok-chu did not use the word conditions in the letter he sent to Gallucci accepting Gallucci's proposal to have higher level talks, according to the Foreign Ministry spokesman.

He, however, added that North Koreans usually do not openly attach conditions to talks when they accept invitations, hinting that Kang actually did imply there were conditions to his acceptance of the Kang-Gallucci talks.

On the report that an American official told a seminar that the U.S. Government will not link the exchange of liaison offices to the talks on the light-water nuclear reactor project, the spokesman said, "There can be no change in the principles, which were agreed to by South Korea, the United States and Japan, that those issues should be solved under harmonious and parallel principles."

Status of U.S., DPRK Liaison Offices Viewed

SK0205100795 Seoul CHOSON ILBO in Korean 2 May 95 p 6

[Article by Washington-based correspondent Chong Hae-yong]

[FBIS Translated Text] With the breakdown of the negotiations over the light-water reactors, the question of opening North Korea's liaison office in Washington, D.C. has been completely put aside from "the pressing pending issue list."

At present, officials at the White House, the Department of State, the Department of Defense, and Congress are not mentioning the question of opening liaison offices. Only one month ago, it was expected that such liaison offices would be established in the capital cities of the two sides as early as April.

At present, no one can predict when the liaison offices of the United States and the North will be established. Although North Korea wants to open its liaison office in the United States as early as possible, the United States is delaying the opening of such liaison offices, while linking the negotiations over the light-water reactors with progress in South-North dialogue.

At the U.S.-North expert-level talks over opening liaison offices held in Washington, D.C. in December 1994, the U.S. Government hoped for an early opening of such liaison offices. At that time, because the United States had already decided to improve its relations with North Korea, the United States thought it should establish relations with North Korea at an early date and ease North Korea's isolation, thereby effecting a breakthrough for settlement of the nuclear issue.

This notwithstanding, contrary to the U.S. Government's expectations, North Korea has rejected ROK-style light-water reactors and called for the replacement of the Armistice Agreement with a peace agreement, thereby doing such acts only as disappointing the United States and showing no sincerity at all toward the South-North dialogue, either.

Under the circumstances in which North Korea is threatening to reload its nuclear reactor with fuel, far from showing sincerity toward the settlement of the nuclear issue, it is also highly likely that the U.S. Congress will drastically curtail, or completely cancel, the budget for the opening of a liaison office. This notwithstanding, it does not mean that the discussion of the issue of opening liaison offices has completely ended. At the expert-level talks held in December 1994, the United States and North Korea solved most of questions concerning consular affairs and technicalities related to opening liaison offices.

Later, the two sides dispatched their individual delegations to each other's capitals to search for buildings for their liaison offices. It has been learned that the U.S. Government has already selected its liaison office staffers and is now training them, and that Mr. Spencer Richardson, who has been designated as the first chief of the U.S. liaison office, is now learning Korean language and culture in Seoul. Telephone lines, too, have been opened between the United States and North Korea.

Therefore, at present, the United States and North Korea have already made all preparations for opening their liaison offices. Once the timing of the opening is decided, liaison offices can open any time.

This notwithstanding, no one in Washington, D.C. is now talking about liaison offices. This is because no prospects are presently seen for settling the negotiations over the light-water reactors due to North Korea's rejection of the proposals. Also, unlike its previous attitude, the ROK Government is voicing its unusually clear and firm view, thereby seizing the United States by the nape of its neck.

As a result, Hubbard, deputy assistant secretary for East Asian and Pacific Affairs at the U.S. Department of State, has even promised: "We will not open liaison offices or improve relations with North Korea at the cost of an important friendly nation such as the ROK."

In connection with the timing of the opening of liaison offices, at present, the official stance of the U.S. Government has been expressed in a single sentence: "There is no fixed timeframe." If North Korea accepts the U.S. proposal for high-level political talks, it is also likely that, if an opening is seen at the high-level talks over the light-water reactors, which will be held between Gallucci and Kang Sok-chu in Geneva at the beginning of next month, discussion of the timing of opening liaison offices will be conducted.

Perhaps the U.S. Government is sincerely wishing to establish liaison offices first, if the question concerning the light-water reactors is solved, even if no progress is seen in South-North relations. In this case, it is possible that the liaison offices will be established earlier than expected.

Seoul Debates Ways To Deal With North Defectors

SK0105121695 Seoul YONHAP in English 1048 GMT 1 May 95

[FBIS Transcribed Text] Seoul, May 1 (YONHAP)—The Government wants to change its existing policy to deal with North Korean defectors, but the change hardly comes by due to conflicting stands among relevant government offices, a government source said Monday.

He said that as the number of North Korean escapees to the South has been on a sudden swell since last year, there have popped up various problems with respect to their resettlement in South Korea.

Working-level officials from the Foreign, Unification, Health- Welfare and Labor Affairs Ministries, Police Administration and the Agency for National Security Planning have met to discuss the situation several times, but failed to arrive at any agreement.

The major difference is that whereas the Foreign Ministry and Agency for National Security Planning favor the government's continued positive support for defectors, other offices oppose blind acceptance due mainly to budgetary problems.

In the past, each North Korean defector used to be provided with a small apartment and a resettlement fund of 100 million won.

Last year, however, the system was changed and now a defector is given about 15 million won in resettlement fund and a job after a certain period of vocational training.

Because of the reduced support, many defectors find it hard to lead lives properly in the new environment of the South, the source said.

Under the circumstances, a tentative policy under review is to allow in only those North Koreans who did not commit crimes in third countries where they stayed awaiting flight to South Korea and those who are in special conditions which oblige the South to accept them, the source said.

The government believes that at this time when the communist world has in effect fallen, it would be meaningless to unconditionally allow in North Korean defectors as Seoul did during the Cold War age.

Since President Kim Yong-sam pronounced a plan to positively allow in North Korean defectors in the spring of last year, about 30 North Korean defectors, many of them former loggers in Siberia, have come to South Korea.

About 200 more are waiting in third countries for chances to move to the South.

But, a considerable number of them can hardly be accepted into South Korea as they were involved in various crimes in the countries they were staying in, the source added.

Festival Expected To Be 'Drain' on North Economy

SK2904010495 Seoul THE KOREA TIMES in English 29 Apr 95 p 2

[FBIS Transcribed Text] The two-day sports and cultural festival, which opened in Pyongyang yesterday, is expected to be a financial drain on the fragile North Korean economy which already is reeling from chronic shortages of food and fuel.

"The problem arises from the failure of North Korea's ambitious program to attract package tour groups from the United States, Japan and China," said Pan Ki-mun, deputy foreign minister for policy planning.

Originally, Pyongyang planned to attract about 30,000 foreign tourists and invite such entertainers as illusionist David Copperfield and pop singer and President Clinton's brother Roger Clinton to the Pyongyang International Sports and Cultural Festival, aimed at polishing its image and earning hard currency.

However, the ministry put the total number of foreign visitors at around 7,000—3,000 from Japan, 3,000 from

China and 400 from the United States. The entertainers also gave up their trip to Pyongyang partly due to the festival host's commitment to unreasonably low guarantees.

In 1989, North Korea, apparently jealous of its southern rival's hosting of the 1988 Summer Olympics, poured three billion dollars in organizing a large-scale youth festival, only to face financial hardship.

Daewoo Studies Providing 'Guidance' to North

SK0105071295 Seoul SEOUL SINMUN in Korean 1 May 95 p 2

[Report by Ku Pon-yong]

[FBIS Translated Text] It has been learned that the Daewoo Business Group is pushing for the implementation of direct technical guidance to North Korea by dispatching technicians to the North in preparation for when nine plants, which Daewoo is building in the Nampo industrial estate in North Korea, will be put into operation in an earnest way.

According to the relevant industrial sources on 30 April, the Daewoo side has decided to begin operation of three of the nine plants in Nampo during the month of May. To this end, Daewoo is planning to dispatch about five technicians to North Korea this month to train North Korean workers.

It has also been learned that in preparation for the possibility that such a plan will go amiss due to unfavorable circumstances on the part of the North Korean side, the Daewoo side is studying ways to invite 30 high-quality North Korean technicians to spinning and weaving plants in Guangzhou, Shanghai, and Wushi in the PRC, which are using Daewoo's facilities, to train them at those plants.

ROK enterprises that are engaged in processing-on-commission trade with the North in the light-industrial field, including textile and needlework-related items, so far have had many difficulties conducting quality control of their products because it has not been possible for them to give direct technical guidance to North Korean technicians.

A National Unification Board official stated: "There is no reason for us to refuse to approve the dispatch of ROK technicians for processing-on-commission trade with the North or to give technical guidance to North Koreans in a third country if enterprises file official requests while complying with the requirements specified in the Law on the South-North Exchange and Cooperation."

In the meantime, at the beginning of January, the Daewoo side dispatched an investment study team led by Yi Kyong-hun, vice president of Daewoo Corporation, to North Korea. They held negotiations with North Korean authorities on the method and timing of putting the nine plants in the Nampo Industrial Estate into operation.

Paris Conference Adopts Repatriation Appeal

SK0205134195 Pyongyang KCNA in English 1053 GMT 2 May 95

[FBIS Transcribed Text] Pyongyang, May 2 (KCNA)—An appeal to governments and political parties of all countries, international organisations and human rights organisations was adopted at the International Conference for the Repatriation of the Unconverted Long-Term Prisoners in South Korea, which was held in Paris on April 22.

The conference was co-sponsored by the International Committee for the Release and Repatriation of the Unconverted Long-Term Prisoners in South Korea and the International Association of Democratic Lawyers.

The appeal expresses great concern about the destinies of former POWs Kim In-so, Ham Se-hwan and Kim Yong-tae, who were thrown behind bars over the past 30 years in South Korea for the mere reason that as the soldiers of the Korean People's Army and then guerrillas they had participated in the 1950-1953 Korean war.

It says:

The old men Kim In-so, Ham Se-hwan and Kim Yong-tae asked the South Korean authorities and the South Korean Red Cross to send them back to their hometowns in the northern half of Korea so that they may spend their remaining years with their families and relatives, but their demands have not yet been met.

The South Korean authorities still refuse to send them back to their hometowns, claiming that as they participated in the guerrilla activities they are not POWs and that they acquired the "citizenship" of South Korea.

Such unreasonable act of the South Korean authorities is contrary not only to the principle of the international law on the freedom of movement, but to their words that they hope for the reunification of the Korean nation and the dialogue and cooperation with the North.

The demand of the old men for their repatriation to their hometowns is justifiable both in view of international law and in view of international usage; it is an inviolable human right.

The participants in the International Conference for the Repatriation of the Unconverted Long-Term Prisoners in South Korea strongly called upon governments and political parties of all countries, international and human rights organisations to make efforts for having Kim In-so, Ham Se-hwan and Kim Yong-tae sent back to their hometowns as they earnestly desire and to extensively conduct an international campaign for supporting their repatriation, on the principles of international justice, humanitarianism and respect of human rights.

Kim Tae-chung Departs for Two-Week U.S. Visit

SK2904034395 Seoul YONHAP in English 0227 GMT 29 Apr 95

[FBIS Transcribed Text] Seoul, April 29 (YONHAP)—Kim Tae-chung, chairman of the Asia-Pacific Peace Foundation, departed Saturday for a two-week visit to America.

Kim will meet with former U.S. President George Bush, White House security advisor Stanley Ross and Sen. Paul Simon to discuss the state of affairs on the Korean peninsula, the North Korean nuclear issue and South-North Korean relations.

He will deliver speeches at the Center for Strategic and International Studies (CSIS), the Asia Society, and the New York Stock Analysis Institute, entitled, "Changes in the State of Affairs on the Korean Peninsula," and "The Problem of the Role of America in South-North Korean Issues."

The chairman is also scheduled to receive an honorary degree from Portland State University before he returns home May 12.

Comments on DPRK Nuclear Issue

SK0205010495 Seoul YONHAP in English 0046 GMT 2 May 95

[FBIS Transcribed Text] New York, May 1 (YONHAP)—Kim Tae-chung, chairman of the Peace Foundation for the Asia-Pacific Region, said Monday [1 May] that the North Korean nuclear issue would eventually be resolved despite the present stalemate over the formula for providing nuclear reactors to North Korea.

"Although the North Korean nuclear issue is now deadlocked over the formula for providing light-water nuclear reactors to North Korea, it will eventually be settled anyhow."

The former opposition leader, presently on a two-week visit to the United States, made the remark in a speech at a luncheon hosted by the New York Securities Analysis Association.

To break the stalemate over the light-water reactor issue, Kim said, North and South Korea and the United States should all make concessions.

"North Korea should resume dialogues with the South to realize mutual understanding and cooperation, and South Korea should not provoke the North Korean regime unnecessarily, nor attempt to absorb and control the North economically," Kim asserted.

Assuming that a breakthrough would come at the envisaged talks between U.S. nuclear ambassador [title as received] Robert Gallucci and North Korean First Vice Foreign Minister Kang Sok-chu, Kim said, "Light-water reactors to be supplied to the North should be South Korean models so that the South may play a central role in their provision, but it would be possible to find some compromise that can save the face of the North."

As to the future of the Korean peninsula, Kim predicted that "South and North Korea will have accomplished a commonwealth by the year 2000 and will have established a federal system based on peaceful coexistence by the year 2010."

"A united Korea, in terms of gross domestic product (GDP), would rank fifth in the world after China, the United States, Japan and Germany," he added.

Seoul Agrees To U.S. Talk Over Food Inspection

SK0205034495 Seoul YONHAP in English 0306 GMT 2 May 95

[FBIS Transcribed Text] Seoul, May 2 (YONHAP)—South Korea Monday [1 May] delivered to the United States a letter which stated that South Korea will accept an offer by the United States to hold a bilateral meeting Thursday in Geneva on the testing and inspection of imported agricultural products in South Korea under the World Trade Organization (WTO) dispute settlement procedure, a Foreign Ministry official said Tuesday.

In the letter, South Korea reaffirmed that the meeting will be held under the WTO normal dispute settlement procedure, said the official.

The United States sent South Korea a letter on April 5, demanding that a meeting on the testing and inspection of American grapefruits in Korean ports be settled by the WTO fast-track dispute settlement procedure which requires disputes between members to be settled within 20 days of their start.

Under normal dispute settlement procedures the two sides can settle the issue within 60 days before forming a panel to further examine the case in the event the two parties cannot reach an agreement within that time.

Counselor So Yong-hyon, South Korea's permanent representative at the United Nations office in Geneva, will represent South Korea at the talks with the United States which will start Thursday in Geneva, said the official.

Chang Said Delegation Leader

SK0205111395 Seoul YONHAP in English 1102 GMT 2 May 95

[FBIS Transcribed Text] Seoul, May 2 (YONHAP)—A bilateral Korea-U.S. meeting will open in Geneva Thursday in connection with the United States' suing of Korea to the World Trade Organization (WTO) on last April 5 over Korea's alleged delay in the customs clearance of U.S. grapefruits.

The Foreign Ministry reported Tuesday that upon South Korea expressed the willingness to have talks with the United States over the matter, Washington on April 20 proposed a meeting and South Korea accepted it Monday.

A South Korean delegation to the talks, to be led by Chang Ki-ho, Foreign Ministry's director-general for international trade, will comprise officials from relevant offices.

One topic of the talks will be whether South Korea's current system of inspecting foreign farm goods is in accord with the WTO agreement, a ministry source said.

Official Reassures Public on Customs Procedures

SK2904013395 Seoul THE KOREA HERALD in English 29 Apr 95 p 8

[FBIS Transcribed Text] Deputy Prime Minister Hong Chae-hyong said yesterday that the government's latest decision to allow imported foods to pass customs clearance, where it will be inspected afterwards, will not harm the public's health.

Hong made the remarks in response to wide criticism that the government is powerlessly yielding to the U.S. demands for swift customs clearance of imported food products without due consideration of the people.

"Even if we switch to the new method currently adopted by most industrial countries, the government will take all necessary steps to ensure the safety of the people's health," the deputy premier told reporters.

He also brushed away the worries that the rapid customs clearance would lead to increased imports, saying the revised system will strictly follow international standards.

Commenting on the measure to do away with the government-set shelf period for food Hong, also minister of finance and economy said it would not matter because from now on the makers themselves take all responsibilities for their products, including setting their own shelf periods.

"Only a few governments, in the world, including Egypt and the United Arab Emirates, are setting shelf periods on food," Hong said.

President on Need To Strengthen Competitiveness

SK0205060495 Seoul YONHAP in English 0436 GMT 2 May 95

[FBIS Transcribed Text] Seoul, May 2 (YONHAP)—President Kim Yong-sam on Tuesday [2 May] emphasized the need for concerted efforts between workers and employers to strengthen the nation's industrial competitiveness, saying that the country owes its successful sustainment of high economic growth to the labor.

Kim made the remarks during a luncheon at Chongwadae [presidential offices] which he hosted to honor 32 exemplary workers, labor union staff members and enterprises who were awarded medals for their meritorious service on May 1, Workers Day. Also invited to the luncheon were the labor and management representatives from three of the country's largest business firms, including Hyundai Electronics Co. which won this year's "Industrial Peace Tower" Award.

Kim asked them to take every possible precaution when working to prevent industrial calamities "because the safety in industrial sites is no less important than industrial peace."

Referring to the recent tragic gas explosion in Taegu, Kim asserted that such a mishap could have been prevented if safety regulations had been strictly observed and the value of human life had been emphasized.

Commenting on the "encouraging signs" of the recent cooperative atmosphere between the workers and employers at the country's industrial sites, Kim said the government will work out detailed policies and systems for further developing the genuinely good sense of labor-management relations.

ROK's International Credit-Rating Upgraded

SK0205102695 Seoul YONHAP in English 0825 GMT 2 May 95

[FBIS Transcribed Text] Seoul, May 2 (YONHAP)—South Korea's international credit-rating has been raised a notch in a recent survey by a world-wide financial evaluator, the Standard & Poor's Co. (S&P), the Ministry of Finance and Economy said Tuesday.

In its annual assessment of sovereign credit ratings conducted last March, the S&P adjusted South Korea's international credit one step upwards to the level of "AA-" from its previous level of "A", according to the ministry.

The rise of Korea's credit rating entailed a corresponding rise in ratings for some Korean banks and companies, including the Korea Development Bank, the Export-Import Bank of Korea, Korea Electric Power Corp. and Korea Telecom, which have maintained the same rating as the country's.

However, the credit ratings of Pohang Iron and Steel Co. (Posco) and Samsung Electronics Co. remained the same as last year, "A" and "A-", respectively.

South Korea had maintained an international credit rating of "A" since May 1988.

A ministry official said that S&P upgraded the country's credit ratings in recognition of its solid economic growth, domestic political stability, balanced economic policy, healthy financial condition of the government, and the prospect for improved inter- Korean relations.

"Most member countries of the Organization of Economic Cooperation and Development (OECD) are presently rated "AA" or higher," the official explained, adding that South Korea's credit rating has now almost reached the level of the world's advanced countries.

S&P's evaluation has a total of 25 grades ranging from "AAA", the highest grade, to "C-", the lowest. The

United States, Japan, Germany, France, and Canada are all rated "AAA" and Taiwan, Denmark, Belgium are assessed "AA", while Australia, New Zealand, Italy and Spain are evaluated at the "AA" level.

OECD: ROK Behind Southeast Asia in Savings

SK0205012395 Seoul YONHAP in English 0113 GMT 2 May 95

[FBIS Transcribed Text] Seoul, May 2 (YONHAP)—South Korea's savings accounted for 34.9 percent of the gross domestic product (GDP) in 1992, according to statistics compiled by the Organization for Economic Cooperation and Development (OECD).

But the savings ratio, which was higher than Japan's 33.9 percent and those of other advanced countries, was lower than those of rival Southeast Asian economies—47 percent was recorded as Singapore's savings rate, 37.3 percent for Indonesia, and 35 percent for each Thailand and Malaysia, the figures obtained by the Finance and Economy Ministry recently said.

South Korea's investment ratio vis-a-vis the GDP stood at 36.8 percent for the year, up 1.9 percentage points from the savings ratio. This means the country must rely on foreign funds for partial investment, one of the major causes for an unfavorable balance of international payments.

In advanced countries and in Southeast Asian developing countries, however, the investment ratio was lower than the savings ratio, enabling them to stand on their own in investment.

"We're on the threshold of an advanced economy, but we should not go on a spending spree as people of advanced countries do," a ministry official said, explaining the relative figures.

The government will announce a comprehensive savings expansion program in September, he added.

"The government is tightening its belt to produce a budget surplus, so banks and other savings institutions must develop new savings plans and improve customer services for increased domestic savings," he stressed.

Exports, Imports Surpass $10 Billion Each

SK0105101595 Seoul YONHAP in English 0849 GMT 1 May 95

[FBIS Transcribed Text] Seoul, May 1 (YONHAP)—South Korea's exports and imports each surpassed the 10 billion U.S. dollar mark in April for the second consecutive month, the Ministry of International Trade and Industry said Monday.

The country registered the lowest monthly deficit this year, with 895 million U.S. dollars, compared to 1,140 million dollars in January, 1,470 million dollars in February and 1,710 million dollars in March, the ministry revealed in its export-import trends data report for the month April.

Total exports in April grew 34 percent from the same month last year to 10,275 million dollars, while imports increased 38.5 percent to 11,170 million dollars.

Meanwhile, the amount of letters of credit (LC) which arrived at the country during the month of April totalled at 3,805 million dollars, up 13.9 percent from the same month last year. But, the number import applications approved by the government in April rose 44.7 percent to 6,339 million dollars.

A ministry official said that the country's exports in almost all industrial sectors are showing signs of vigorous growth due mainly to the worldwide economic recovery and the strengthening of the Japanese yen.

Although imports of capital and consumer goods as well as raw materials increased sharply in April, the scale and rate of the imports decreased in comparison with the previous month, he explained.

Conspicuous in the growth rate of April's exports were petrochemical goods, which rose by 113.5 percent, steel products which rose 163.2 percent, automobiles by 104.2 percent, semiconductors by 67.5 percent and general machinery by 104.2 percent.

By region, exports to the European Union (EU) increased by 47.5 percent, to Japan by 44.2 percent, to the United States by 21.2 percent, to ASEAN (Association of Southeast Asian Nations) by 49.8 percent and to China by 58 percent.

Exports of Semiconductors Increase 60 Percent

SK0205011395 Seoul THE KOREA TIMES in English 2 May 95 p 8

[By staff reporter No Chun-hun]

[FBIS Transcribed Text] Exports of semiconductors, fueled by the strong demand for memory chips, increased a whopping 60 percent in the first quarter of this year to 3 billion dollars, industry sources said yesterday.

According to them, the export volume of 16M DRAM (megabit dynamic random access memory) chips is quickly catching up with the demand for 4M units, offering a strong advantage to domestic makers.

Even with the tremendous increase in exports, however, the localization ratio remains dismally low at just 12 percent for most manufacturing facilities, which cost hundreds of millions of dollars.

The sources, quoting reports from the Korea Semiconductor Manufacturers Association, said exports of semiconductors soared in the first three months of this year, boosted by the relentless appreciation of the Japanese yen.

"Korean manufacturers have been preparing for the transformation of the market standard from 4M to 16M DRAMs and the strong yen is playing a major role in enlarging their global market share," said one expert at the Ministry of Trade, Industry and Energy [MOTIE].

Domestic companies took the lead in the international memory chip market three years ago and have not looked back since, furthering their domination with huge investments in research and development and facilities.

The local industry kicked off the year with an export target of 17 billion dollars but the robust performance in the first quarter is leading Korean firms to upwardly adjust the figures.

"There is every indication that the yen will remain strong throughout the year and local companies are well prepared to take advantage of the situation," a senior MOTIE official noted.

In an effort to stay competitive in the quickly-changing market, Korean companies, headed by Samsung Electronics and Hyundai Electronics Industries [HEI], established manufacturing facilities which can accommodate the production of both 4M and 16M chips.

HEI, for instance, is investing a total of 1.4 trillion won (1.7 billion dollars) in facilities and the research and development of high performance chips, including gigabit level semiconductors.

HEI's Paek In-uk said the company exported a total of 600 million dollars in the first quarter, more than a 100-percent increase over the just under 300 million recorded in the first three months of last year, and is shooting for 3.5 billion dollars by the end of the year.

So Sa-hyon, MOTIE's director general for consumer and processed goods, said the strong performance of semiconductor makers is nudging the government to set a new export target for the year.

Unfortunately, the strong export performance is doing little to boost the localization ratio which is critical to improving competitiveness in the international market.

According to Ham Sung-ho, assistant director in charge of semiconductors at MOTIE, the localization ratio for materials hovers around 41 percent while that for equipment is a dismal 12 percent.

"Owing to the fact that the manufacturing equipment incorporates high precision technology, Korean companies are finding it difficult to make it themselves," he explained.

He added that it will not be anytime soon that Korean firms acquire the capability to produce sophisticated machinery such as the stepper, a system that draws the circuit on semiconductor chips.

At over 1 million dollars a whack, more than 50 steppers are usually needed for a single assembly line, which can cost anywhere in the neighborhood of 1 billion dollars, Ham said.

About the only systems that are being locally produced are test handlers and other assembly equipment which are not costly and require only basic electronic technology.

Industry experts observed that while Korean companies' willingness to make huge investments was the key to overtaking global competition in the memory sector, greater efforts must be made toward higher localization.

At the same time, they said, aggressive diversification programs to expand the presence in the non-memory sector, which accounts for over 70 percent of the 140-billion-dollar semiconductor market, are urgently needed.

No Decision Made on Sending Unit to Angola

SK0205000395 Seoul THE KOREA TIMES in English 2 May 95 p 2

[FBIS Transcribed Text] Korea has made no decision on whether to dispatch a Korean military unit to Angola because it is still discussing with the United Nations the scope of Seoul's role in reconstructing the conflict-torn country, a Foreign Ministry official said yesterday.

Seoul is positively considering sending an engineering battalion to Angola to take part in the U.N. Angola Verification Mission (UNAVEM). However, the government, citing the lack of proper mine- clearing equipment, was negative to dispatching the unit to a zone where landmines are extensively planted.

"It will take at least three months to secure the National Assembly's ratification and finish necessary preparations for the dispatch," he said.

However, Seoul is positive to dispatching an engineering unit to build a bridge because Korean military engineers can remove landmines in a limited area.

The government is currently assessing the possibility of dispatching the unit on the basis of a report by a Korean on-the- spot survey team sent to Angola April 10-20.

Japanese Official Visits Air Force Headquarters

SK0205060395 Seoul YONHAP in English 0552 GMT 2 May 95

[FBIS Transcribed Text] Taejon, May 2 (YONHAP)—Gen. Shigeru Sugiyama, chief of staff of the Japanese Air Self-Defense Force, visited the South Korean Air Force headquarters at Kyeryongdae near Taejon at the invitation of his South Korean counterpart Gen. Kim Hong-nae.

Gens. Kim and Sugiyama exchanged views on ways to promote cooperation between the Air Forces of their countries for the security of the Korean peninsula, a spokesman for the South Korean Air Force said.

Ministry Reports Trade With PRC 'Skyrocketed'

SK0105064895 Seoul YONHAP in English 0639 GMT 1 May 95

[FBIS Transcribed Text] Seoul, May 1 (YONHAP)—Trade between South Korea and China skyrocketed to

3,530 million U.S. dollars during the first quarter this year, up no less than 45.7 percent from the corresponding period last year.

According to the trend of South Korea-China trade, disclosed by the International Trade and Industry Ministry Monday, Seoul's exports to Beijing during the three-month period reached 1,920 million U.S. dollars, up 52.8 percent over a year ago, and her imports from China are at 1,610 million U.S. dollars, up 38.3 percent, showing a surplus of 310 million dollars.

The growth rate of Seoul's exports to Beijing kept expanding in the first three months, registering 46.2 percent in January, 51.0 percent in February and 57.7 percent in March. Its imports from China increased 26.4 percent in January, 57.8 percent in February and 33.3 percent in March.

South Korea's trade surplus consequently jumped from 20 million dollars in January to 60 million dollars in February and then to a whopping 230 million dollars in March.

The remarkable improvement in South Korea's exports to China was attributed to China's continued economic boom, thanks to which the exports of most commodities centered around raw and secondary materials like chemical products, textiles and plastics increased drastically.

But exports of steel products, the supply of which fell short due to high domestic demand, and of motor vehicles and some electronic products declined.

Reflecting the invigorated economic boom here and South Korea's increasing reliance on China's primary and light industrial products, Seoul's imports of zinc ores, synthetic materials, cement and footwear increased sharply. The imports of some steel products including rolled steel plates, the demand of which could not be met domestically, also jumped.

South Korea's imports of grains in general and corn in particular fell sharply due to China's export control stemming from poor harvests. Imports of anthracite coal declined as well.

Residency Status for Korean-Chinese Planned

SK0105024295 Seoul YONHAP in English 0216 GMT 1 May 95

[FBIS Transcribed Text] Seoul, May 1 (YONHAP)—The government will soon give 50 Korean-Chinese immigrants who remained in the country illegally after entering sometime between 1985 and 1991, when Seoul normalized ties with China, permanent residency in the country for humanitarian reasons, according to Foreign Ministry officials Monday.

The Foreign Ministry is discussing with relevant ministries measures to expand the possibility of allowing ethnic Koreans living in China permanent residency in the country if they or their families were wounded or captured by the North Korean Army during the Korean war and later defected to China from North Korea, according to the officials.

Current law stipulates that only families and descendants of freedom fighters during Japanese colonial rule of the Korean peninsula are eligible for permanent residency in the country.

The government has granted permanent residency to ethnic Koreans from countries with which South Korea has no diplomatic relations before, strictly imposing regulations on permanent residency for them since 1988, when the government announced its July 7 declaration easing restrictions on exchanges between South Korea and pro-Pyongyang countries which had no ties with South Korea.

The government, however, will cautiously approach the issue of accepting ethnic Koreans from China en mass for fear social unrest may result if a massive inflow of ethnic Koreans from China are granted residency, said the officials.

ROK, SRV Agree To Exchange Military Attaches

SK0105063595 Seoul HANGUK ILBO in Korean 1 May 95 p 2

[FBIS Translated Text] It was learned on 30 April that as a result of a ROK-Vietnamese agreement on military exchanges, the two countries have decided to dispatch military attaches to each other's embassies, and that they would earnestly carry out duties, such as exchanging visits by military officials, observation of military exercises, and exchange of defense industrial materials.

It has been learned that while Du Muoi, secretary general of the Vietnamese Communist Party, was in Seoul early last month, the two countries agreed to carry out military exchanges, and that they agreed to dispatch military attaches to each other's embassies beginning 1996.

Accordingly, the Ministry of National Defense is expected to select one full colonel as a military attache to the ROK Embassy in Vietnam.

A relevant government official stated: "It is very significant for the two countries, which maintained war-hostile relations at one time, to acquire relations of military cooperation by carrying out military exchanges 20 years after the war ended."

Vietnam has 500,000 infantry troops, 42,000 Naval troops, and 15,000 Air Force troops.

Hyundai Firm Completes SRV Pipeline Project

SK0105235695 Seoul THE KOREA HERALD in English 2 May 95 p 8

[FBIS Transcribed Text] Hyundai Heavy Industries Co. Monday [1 May] completed a project to lay a 124-km-long gas pipe line between Ho Chi Minh City and Baria.

The pipe line was built via White Tiger, a maritime area 200 southeast of Ho Chi Minh City, under a $55 million order from the state-run petroleum company, Petrovietnam Trading Company.

Among the participants at the dedication ceremony held at the Baria power plant were Vietnamese Party Chief Do Muoi, Parliamentary Speaker Nong Duo Mahn and Hyundai Heavy Industries President Kim Chong-kuk.

Nations Send Condolences Over Gas Explosion

Britain Offers Condolences

SK0205030795 Seoul YONHAP in English 0204 GMT 2 May 95

[FBIS Transcribed Text] Seoul, May 2 (YONHAP)—Top ranking officials from Britain have sent their condolences over the devastating explosion that struck Taegu last week.

In a fax message transmitted Saturday to Amb. Thomas Harris, Queen Elizabeth conveyed her shock over "such a tragic loss of life." Her majesty wished that her sympathy, along with the Duke of Edinburgh's, could be delivered through Harris to the bereaved families of the victims.

British Prime Minister John Major, on behalf of the British people, also offered his "sincere condolences" for the terrible accident.

In a separate dispatch to South Korean Minister of Transportation and Construction O Myong, the Rt. Hon. Dr. Brian Mawhinney, British secretary of state for transport, expressed that he was "shocked and saddened to hear on my return from Korea of the tragic accident in Taegu."

Mawhinney explained that he was particularly saddened "following the warm welcome which I received in (Korea) last week," and also delivered his sympathy and condolences.

Mawhinney departed last Wednesday for London after a short official visit to Seoul during which he signed a transportation cooperation pact with O.

Canada Expresses Condolences

SK0205010695 Seoul YONHAP in English 0033 GMT 2 May 95

[FBIS Transcribed Text] Seoul, May 2 (YONHAP)—Canada's head of state expressed his condolences Friday [28 April] to Korea for the gas explosion that rocked Taegu last week, causing the "untimely death of so many people" including many students from Yongnam Middle School, "a tragedy."

Romeo Leblanc, the governor-general of Canada, extended to President Kim Yong-sam his "sincere sympathy for those who have suffered the loss or injury of beloved family members and friends."

German Leaders Send Condolences

SK2904063695 Seoul YONHAP in English 0617 GMT 29 Apr 95

[FBIS Transcribed Text] Seoul, April 29 (YONHAP)—President Kim Yong-sam received a telegram Saturday expressing condolences from German President Roman Herzog and German Chancellor Helmut Kohl, both leaders expressed their deep sorrow regarding the gas explosion that demolished a subway construction site in Taegu, according to a Foreign Ministry spokesman.

Foreign Minister Kong No-myong also received a telegram from German Foreign Minister Klaus Kinkel in which the German expressed his condolences to families of those who killed and to those wounded by the explosion at the southeastern provincial capital, said the spokesman.

BOK Offers Support to Damaged Small Businesses

SK3004083195 Seoul YONHAP in English 0823 GMT 30 Apr 95

[FBIS Transcribed Text] Taegu, South Korea, April 30 (YONHAP)—The Bank of Korea [BOK] decided Sunday [30 April] to support 20 billion won (about 26.3 million U.S. dollars) for businesses here in an effort to minimize the damage the economy in this region will be suffering from following the gas explosion, the central bank's branch here said.

The BOK plans to give the financial support first to the small businesses who have been damaged from the explosion in the subway construction site.

Assembly Opens, Fails To Go Into Business

SK0105105695 Seoul YONHAP in English 1032 GMT 1 May 95

[FBIS Transcribed Text] Seoul, May 1 (YONHAP)—The 174th extraordinary National Assembly session opened Monday afternoon, but it failed to go into business due to conflicting bipartisan stands toward floor schedules.

The opposition Democratic Party [DP] boycotted even the opening ceremony after the ruling Democratic Liberal Party [DLP] rejected the DP demand for a government interpellation on the recent city-gas explosion in Taegu.

The DLP's policy was that the current session should deal only with a proposed amendment to the election law. The ruling party wants to look into the Taegu incident at another time by invoking the parliamentary right to investigate state affairs.

Emerging from a bipartisan floor leaders meeting, DLP's Hyon Kyong-tae said that if no accord could be reached by Friday, his party may railroad the election law amendment through the assembly by itself.

His DP counterpart, Sin Ki-ha, said, however, his party would at no time compromise over their plan for a government interpellation on the Taegu incident.

No Agenda Set for Extraordinary House Session

SK0205062895 Seoul YONHAP in English 0610 GMT 2 May 95

[FBIS Transcribed Text] Seoul, May 2 (YONHAP)—The majority and minority parties failed to set the agenda for the 174th Extraordinary Parliamentary Session that opened without the minority party's attendance Monday [1 May] at their floor leaders' meeting Tuesday, leaving the parliament adjourned for the second straight day.

Minority Democratic Party Floor Leader Sin Ki-ha proposed that the parliament handle the Taegu gas explosion in five days—three days for interpellation in plenary sessions and two days for hearings by related committees.

But majority Democratic Liberal Party Floor Leader Hyon Kyong-tae said the handling of the Taegu gas explosion should be addressed in one day of plenary-session interpellations, a step backward from his previous opposition to the parliament's handling of this incident during the current session because of an on-going joint police- prosecutor investigation already exists.

But the two parties are likely to agree to normalize the parliament after Thursday when the minority party elects its candidate for the Seoul mayoral election late next month, political sources said.

Yi In-che Selected as DLP Governor Candidate

SK0105100095 Seoul YONHAP in English 0852 GMT 1 May 95

[FBIS Transcribed Text] Seoul, April 1 (YONHAP)—Rep. Yi In-che belonging to the Democratic Faction of the ruling Democratic Liberal Party (DLP) has become the majority party's candidate for Kyonggi provincial governor in the June 27 local elections.

Yi won the DLP's nomination for the gubernatorial race beating Rep. Im Sa-pin of the Democratic Justice faction of the government party in a Kyonggi provincial governor candidacy contest rally, the first of its kind ever conducted by the country's ruling parties. The rally took place at the Olympic Park's fencing gymnasium Monday afternoon with over 8,000 delegates attending.

The convention was attended by a total of 8,604 delegates, but only 6,364 of them took part in the voting.

Of the total votes cast, 3,266 went to Rep. Yi and 3,057 to Im. Forty-one others turned out to be invalid.

In a victory speech, Yi said he thanks the delegates for supporting him and Im Sa-pin for competing in the race in a fair manner.

"I shall win in the upcoming election and thereby develop the Kyonggi area into the nicest and highly competitive place to live in in this age of unification and localization," Yi said.

Predicting that the capital zone will emerge as the most hotly contested zone in the June local elections, Yi said he would do all he could to ensure the DLP's victory in the Seoul mayoral and Kyonggi gubernatorial elections.

Recall of Booklet Referring to Sea of Japan Urged

SK0205030895 Seoul YONHAP in English 0207 GMT 2 May 95

[FBIS Transcribed Text] Seoul, May 2 (YONHAP)—The major opposition Democratic Party (DP) Tuesday [2 May] demanded that the administration collect all distributed copies of a controversial publicity booklet that describes the East Sea as "Sea of Japan."

"We are not only surprised but also indignant about the incident," Deputy DP Spokesman Sol Hun said. "The government should immediately withdraw the booklet in question from circulation and punish people involved severely."

The sea lying between Korea and Japan is officially called the East Sea in South Korea.

The government publishing house has recently published 200,000 copies of a globalization publicity booklet, issued by the Information Ministry, that describes the East Sea as "Sea of Japan." The booklet has been distributed to government agencies, social organizations and educational institutions.

United Liberal Democrats Admit 'Booted' Generals

SK0205083095 Seoul KYONGHYANG SINMUN in Korean 2 May 95 p 2

[By reporter Yi Chae-kyun]

[FBIS Translated Text] The United Liberal Democrats party has been making utmost efforts to admit former generals into the party. In particular, the party's efforts have been concentrated on generals who had been disciplined for their membership in the Hanahoe [one mind] Fraternal Society and the Nine-Nine group [group of generals who served at the Ninth Airborne Brigade or the Ninth Division of the ROK Army when former President No Tae-u was commander at these units].

These efforts became visible when the party admitted Lieutenant General An Pyong-ho, retired, former commander of the Capital Defense Command and a member of Hanahoe, on 1 May.

General An was a staff officer in charge of military operations when No Tae-u was commander of the Ninth Division. An himself served as commander of the Ninth Division and assistant Army chief of Staff for personnel.

He is a leader in the Nine-Nine group. He will reportedly be appointed as the organizer of the Chinju, South Kyongsang Province chapter of this party.

The United Liberal Democrats party ardently expects that General An's admission will hasten the admission into the party by former generals, who are dissatisfied with President Kim Yong-sam's military reforms and the government's security policy. In a news conference upon joining the party, An said: "The current government is in chaos as shown by the fact that the government has made the North Korean light-water reactors problem a problem concerning North Korea and the United States." He also said: "I have decided to join the party because I am sympathetic to the party's policy toward North Korea and the party's support for an a parliamentary government system."

Kim Chin-son, former commander of the ROK 2d Army, who was abruptly discharged with General An in May 1993, will reportedly join the party. He will likely be appointed as the organizer of the Koesan, North Chungchong Province chapter. The party has reportedly been trying to admit Yi Chung-sok, former military operations director of the Joint Chiefs of Staff, who was discharged for denouncing the military reforms at a party hosted by the then chairman of the Joint Chiefs of Staff, into the party.

Rumors are circulating that Yi Pil-sop, former chairman of the Joint Chiefs of Staff, and Kim Chin-yong, former Army chief of Staff, who has recently returned home after working at the Hoover Institution of Stanford University in the United States, with General An Pyong-ho, will enter politics.

In connection with its efforts to admit former generals who were discharged by the current government, the party said: "We and those generals are undergoing the same sufferings because we were booted out of the Democratic Liberal Party and those generals were booted out of office." Still, the party has kept silent about their admission, saying that it should until final decisions are made about their admission.

The party has also appointed Kang Kuk-hui, former Air Force troop information and education chief, as the organizer of the Taebaek, Kangwon Province chapter. The party plans to appoint those retired generals to organizers of party chapters at cities or counties where they were born or raised and field them in next year's general elections.

Ruling Party Legislator Joins Splinter Party

SK0105060495 Seoul YONHAP in English 0555 GMT 1 May 95

[FBIS Transcribed Text] Seoul, May 1 (YONHAP)—Rep. Pak Kyu-sik of the ruling Democratic Liberal Party (DLP) bolted from the party Monday to join a splinter opposition party, the United Liberal Democrats, headed by former DLP Chairman Kim Chong-pil. With the lawmaker's admission to the opposition party the number of its National Assembly seats increased to a total of 12. Pak was elected to the parliament in 1992 from the electoral district of Puchon-Nam in Kyonggi Province.

Questionnaires Sent to Former Presidents Chon, No

SK2904064495 Seoul YONHAP in English 0627 GMT 29 Apr 95

[FBIS Transcribed Text] Seoul, April 29 (YONHAP)—The Seoul District Prosecutor's Office Saturday sent questionnaires to former Presidents Chon Tu-hwan and No Tae-u in connection with a suit involving the April 18, 1980 Kwangju uprising.

A questionnaire consisting of over 310 items addressed to Chon was delivered to his lawyer Yi Yang-u, while a questionnaire consisting of some 260 items intended for No was handed to his attorney Han Yong-sok, with a request that they be answered by May 10.

The prosecution decided to investigate former President Choe Kyu- ha by calling on him after examining replies by Chon and No.

A prosecution official said, "We have decided to investigate former Presidents Chon and No through written questionnaires in light of the precedence of adopting such a formula with regard to the investigation of another suit involving the Dec. 12, 1979, "coup d'etat-like incident" and out of courtesy for former heads of state." [quotation marks as received]

A point of contention in the suit is if the military suppression of the Kwangju uprising constituted an insurrection. In this regard, it is essential to investigate Choe as to whether the military junta obtained his consent to use military forces by coercion, according to the official.

Choe served as president from Dec. 21, 1979, to August 1980.

It remains to be seen, however, if Choe will respond to the prosecution's investigation this time as he had previously rejected the probe through a questionnaire with regard to the suit involving the Dec. 12, 1979 coup.

Opinion Poll Results on Various Issues Published

SK0105095995 Seoul CHOSON ILBO in Korean 1 May 95 p 5

[By reporter Yang Sang-hun]

[FBIS Translated Excerpt] The ROK people feel that our society still has many problems. This has been revealed through a recent public opinion poll. However, an optimistic view that these problems will be gradually rectified is also increasing.

The tendency to distrust political circles among social organizations has not been removed at all. However, the people's perception of the military is changing remarkably. These views have been revealed in "a survey on the ROK people's consciousness toward the ROK society" conducted by the Sejong Research Institute.

Regarding "the conflict between collectives in the ROK society," those respondents who said "the conflict between the rich and the rank and file is a most serious" [problem] were in the majority. In other words, 50.5 percent of respondents said the problem was "serious" and 33.1 percent said it was "very serious." Thus 83.6 percent of respondents viewed the conflict between the rich and the rank and file in our society as serious.

In addition, 76.7 percent said the [conflict] "between the older and younger generations" was serious, 69.4 percent said the [conflict] "between businessmen and workers" was serious, and 64.0 percent said the [conflict] "between Cholla Provinces and Kyongsang Provinces" was serious.

What draws our attention is that those who said "the conflict between the military and civilian" is serious or very serious accounted for only 24.5 percent, which means our people's perception toward the military is changing favorably compared to the perception that the people had during previous regimes.

The change in the people's perception toward the military was also revealed in another opinion poll. In other words, those who responded to the question, "Which collective in our society exercises the greatest influence in ROK politics?" with "the military" accounted for only 3.2 percent, which means that there are remarkably fewer people who see our military as playing a political role. [passage omitted]

On the reunification question, only 9.5 percent of respondents said "Reunification should be achieved at the earliest possible date regardless of the system under which it may be achieved," while 7.1 percent said "we should not make efforts to achieve unification at any cost." However, 78.1 percent of respondents said "We should wait for unification while making efforts to recover our national homogeneity."

To the question, "Do you think there is a possibility for North Korea to invade South Korea with force of arms?" 4.7 percent said "I definitely think so," 32.1 percent said "I generally think so," 25.6 percent said "I generally do not think so," and 9.5 percent said "I do not think so" or "I do not know." Thus, more respondents took a skeptical view on the possibility of North Korea's invading South Korea with force of arms.

On the presence of U.S. Forces in South Korea, 45.6 percent said they "should withdraw gradually," while 36.8 percent said they should "remain at present levels." Thus, the two different views were almost equal.

On the National Security Law, those who asserted it "Should be abolished completely" accounted for 10.8 percent while those who said it "Should be maintained as it is" accounted for 17.0 percent. Those who said it "Should be revised partially" accounted for 58.6 percent. [passage omitted]

On the question, "Do you think North Korea has nuclear weapons?" as many as 80.2 percent said "Yes" while only 19.8 percent said "No."

When the question, "If you think North Korea has nuclear weapons, to what extent do you feel threatened by them?" was asked, 26.0 percent said "Very much" and 45.9 percent said "a little bit."

On the question, "Which country do you think is the most obstructive country in the reunification of North and South Korea?" 44.0 percent said "North Korea," 22.8 percent said "the United States," 17.6 percent said "Japan," 10.6 percent said "the PRC," 2.6 percent said "Russia," and 1.6 percent said "South Korea."

On the question of participating in the UN Peacekeeping Operation [PKO] activities in international disputes and disaster regions, those who said we "Should participate in them" accounted for 70.7 percent, those who said we "Should not participate in them" accounted for 13.9 percent, and those who said "I don't know" accounted for 15.4 percent. Thus, there were many more respondents who expressed an affirmative attitude toward the PKO activities than those who expressed a negative attitude toward them.

On the question on "Of the United States, Japan, the PRC, and Russia, which country is the most threatening to the ROK?" those who said "Japan" accounted for 53.1 percent, those who said "the PRC" 23.9 percent, those who said "the United States" 15.3 percent, and those who said "Russia" 7.7 percent.

On the opinion on "In supplying light-water reactors to North Korea, the ROK should bear more of the expenses than the United States and Japan do," those who said "Yes" accounted for 38.7 percent, those who said "No" accounted for 40.0 percent, and those who said "I do not know" accounted for 21.3 percent.

The current survey was conducted among a total of 1,800 adults (male 890 and female 910) throughout the country. [passage omitted]

Statistical Office Reports Economy Expanding

SK0105021195 Seoul YONHAP in English 0158 GMT 1 May 95

[FBIS Transcribed Text] Seoul, May 1 (YONHAP)—South Korea's industrial output in March rose 14.4 percent from a year earlier, indicating the economy is continuing to expand since late last year, according to figures released by the national statistical office Monday.

Shipments of industrial products in the month also increased 14.3 percent.

Production and shipment in the first quarter of the year rose 14.1 percent and 15.3 percent, respectively, over the same period of last year, both the highest since the third quarter of 1988 when they registered increases of 15.8 percent and 15.6 percent, respectively.

The manufacturing industry operated at 84.6 percent of the overall factory capacity, on the average, in March and 83.5 percent in the January-March period. Taking into account factory shutdowns due to repair and maintenance and other inevitable causes of work stoppage, the figures represent a year of near full-capacity operation.

Orders for local machinery, except for ships, soared 42.9 percent in March and 45.4 percent in the first quarter, while machinery import licenses issued in March and the first quarter increased 39 percent and 62.9 percent, respectively. Actual machinery imports in the two periods also grew 56.3 percent and 28.1 percent. All these figures represent brisk corporate investment in equipment and plants.

The construction industry was also brisk, with construction contracts increasing 26 percent in March and 14.6 percent in the first quarter, as issuances of building permits expanded 19 percent in March and 16.2 percent in the first quarter.

Housing construction permits also soared 41.9 percent in March and 35.9 percent in the first quarter.

Shipments of consumer goods for domestic use rose 9.7 percent in March, compared with the 12.4-percent increase recorded for the first quarter, the highest since the 15.2-percent rise during the final quarter of 1990.

Unemployment stood at 2.4 percent in both March and the first quarter, and at a seasonally-adjusted 2.1 percent.

The economy's composite leading index, an indicator which predicts industrial activity for future periods of two to three months, rose 0.9 percent in March, while the coincidence index, an indicator of current industrial activity, went up 0.6 percent in the month, indicating that the economy will continue to expand through early next year.

Daily Analyzes Danger of Economic Overheating

SK0205134995 Seoul SEOUL SINMUN in Korean 2 May 95 p 5

[By reporter Yom Chu-yong]

[FBIS Translated Text] Business is constantly booming and the government has been making efforts to control the speed of economic growth in a bid to prolong the market's healthy trend, to no avail. It is urgent to prepare measures to prevent an economic overheating.

According to the "Status of Industrial Activities in the First Quarter" released by the Statistics Office on 1 May, production, investment, and employment have all increased considerably reaching a dangerous level. The production growth rate for the first quarter of the year was 14.1 percent. This rate is too high for our economy to cope.

According to the Statistics Office's report, the first quarter's industrial production in the mining industry, a second industry, and in the electric and gas industries, third industries, accounts for about 30 percent of the total industrial production. Cho Hyong-kap, director of the Statistics and Survey Division, anticipated: "Under the assumption that the growth rate of other industries is 7 percent, on average, the general economic growth for the first quarter will exceed 9 percent." We can maintain economic growth longer with an economic growth rate of 7 percent (potential growth rate).

Excessive growth brings about adverse effects, such as a rapid contraction of the market, excessive consumption, speculative investment in real estate, and a rise of prices. We can use as an example our economy during the period from 1988 to 1989, when we had excessive economic growth following a business upturn. As a result, we experienced "dull growth and skyrocketing prices" as well as an extensive slump, with a rapid downturn of economic growth from 11.3 percent in 1988 to 6.4 percent in 1989 and a sharp rise of consumers' price (year-round average) from 8.6 percent in 1990 to 9.3 percent in 1991.

A more serious problem lies in investment activities. The total volume of orders for machinery we received in the first quarter grew to 45.4 percent, and the total volume of machinery imports was up 48.3 percent. Businessmen are apt to increase facilities excessively with an overindulgent conviction prompted by the current business upturn. In actuality, however, they often face a sluggish period when additional facilities are completed and are about to be put into operation because business upturns and downturns come in a two or three-year cycles. In the same vein, it can be understood why Yi Sok-chae, deputy minister of the Finance and Economy Board, had an unusual meeting with core managers of the 30 largest domestic business groups last week and asked them to show restraint in their investments.

The rate of employment and the rate of operation in the manufacturing industry have already reached their peaks. The unemployment rate was 2.4 percent (2.1 percent excluding seasonal unemployment), and the rate of operation was 84.6 percent in March.

The Statistics Office considers a situation, in which the unemployment rate is 2 percent or less and the rate of operation is over 85 percent, to be overheating. It is also an alarming sign that all consumption and construction investment indexes, which were stable last year, increased 10 percent or more in the first quarter of this year.

Burma

Dissident Banyar Zaw Returns From Japan

BK2804145095 Rangoon TV Myanmar Network in Burmese 1330 GMT 27 Apr 95

[FBIS Translated Text] Banyar Zaw alias Zaw Zaw alias Banyar, who served as joint general secretary of the Burmese Association in Japan [BAIJ], a dissident organization in Japan, surrendered at the Myanmar [Burmese] Embassy in Tokyo on 21 April and returned to Yangon [Rangoon].

Banyar Zaw, who lived at No. 25, Leikkan Street, Pazundaung, Yangon, is a son of U Zaw Win, retired police station officer, and Daw Tin Than. He is 26 years of age and was a second year student of Physics at the Botataung Campus of Yangon University. He went to the border during the 1988 events and returned to Myanmar [Burma] via a reception camp during January 1989. He left the country in May 1989 with a Myanmar passport to work as a sailor on a foreign ship and later arrived in Japan. While working in various Japanese restaurants he met Burmese dissidents—Dr. Tun Aye, Daw Mya Mya Win, and Dr. Win Naing. He worked in Thailand, Philippines, and South Korea under arrangements made by Dr. Tun Aye. Dr. Tun Aye appointed him joint general secretary of the BAIJ because of his proficiency of with the Japanese language and experience at the ABSDF [All Burma Students Democratic Front] camps.

He said the BAIJ approached and used a former Japanese minister, a member of the Lower House, and a member of the Japanese Veterans Organization to organize and to infiltrate the members of the Japanese parliament in order to make them accept the views and policies of the BAIJ. He said Dr. Tun Aye's indiscretion in his relationship with Daw Mya Mya Win is causing a maritial problem between Dr. Tun Aye and his Japanese wife, who confiscated his bank card. Daw Mya Mya Win is no longer acceptable to BAIJ because she tried to give Dr. Win Naing a position through various means. The organization split with Dr. Min Nyo and Dr. Kyaw Tint's faction left the organization. Daw Mya Mya Win is earning her living as a restauranteur and from the distribution of television tapes about her life as a democracy refugee.

Banyaw Zaw said his friends and relatives in Myanmar had written to him to say that what he had heard about the country is very different from the real situation and told him to come and see for himself. It has been learned that he decided to surrender because of political monopolization, rivalry, personal attacks, and personal indiscretions within the dissident organizations in Japan.

KNU Reports on Situation at Refugee Camps

BK0205045295 (Internet) BurmaNet News in English 0250 GMT 29 Apr 95

[Statement by Karen National Union, KNU, Foreign Affairs Department spokesperson on 26 April; place not given]

[FBIS Transcribed Text] During recent weeks incidents concerning the security of Karen refugees in Thailand have intensified and the KNU urges the Royal Thai government and the international community to take appropriate measures now to counter what has now become an escalating level of violence and destruction. During the course of two days, the 24th April, separate SLORC [State Law and Order Restoration Council] forces numbering in hundreds, made up mainly of SLORC soldiers with small numbers of Karen defectors, have attacked large and widely separated refugee camps.

The escalating violence

Events of the past week demonstrate the escalating the escalating cycle of violence and destruction.

On 19th April a group of about 20 SLORC troops and Karen defectors crossed the Moei River from the SLORC base at Methawe, burned 30 houses and abducted 5 Karen refugees. Threats were made that more such attacks would result of the refugees refused to return to Burma.

On 23th April at 7.30 am about 300 SLORC troops crossed the Moei River to enter the Kler Htay Loo refugee camp not far from Methawe. A clash occurred with camp security forces in which at least one person was killed and the village was burned down.

On the same day at 4.30 pm the SLORC troops attacked Mae Wee Khlo refugee camp inland from Kler Thay Loo. Again at least one person was killed during the fighting. The intruders then forced inland and set up road-blocks on the main Mae Sarieng-Mae Sod road, abducted 9 people and seized a pick-up truck.

On 24 April at 10 am SLORC troops returned to Kler Thay Loo, again clashed with camp security forces and burned Mae Loh village adjacent to Kler Thay Loo camp. A number of Karen refugees were abducted by the attackers.

Also on 24th April, another group of about 200 SLORC troops, including about 10-15 Karen defectors, crossed the Salween river at Pu Mya Loo and proceeded to attack a major new refugee camp at Maramu Khlo (also known as Mae Ra Ma Luang) with a population of over 4,500 people. It is known that a number of refugees were abducted, that many refugees were injured and that two of the seven sections of the camp were burned as well as the rice store in one section. On this occasion the Thai army's 35th Task Force engaged the intruders.

According to the most recent information, at midnight on the next day, the 25th April, another group of SLORC forces attacked the Kamaw Lay Kho refugees camp between Methawe and Mae Sod which also has a population of over 4,000 people. More than 300 houses were burned.

The protection of Karen refugees in Thailand

There are approximately 75,000 Karen refugees currently in camps inside Thailand along the Thai-Burma border as a result of the long running civil war and systematic abuse of the civilian population by the Burmese military. This includes approximately 10,000 recent arrivals who fled Burma as a result of the recent military offensive by SLORC troops against the KNU and the resulting withdrawal of the KNU from its headquarter at Manerplaw and its base at Kawmura.

The refugees have been allowed by the Royal Thai government to take refuge in Thailand and have been cared for by the Karen Refugee Committee with the help of a consortium of NGOs [nongovernmental organizations] working in conjunction with the Thai authorities. Their welfare is monitored informally by representatives of Bangkok-based embassies and from time to time by a representative of the UNHCR. In the past, the security of the refugees has not been a major problem.

Immediately following the recent SLORC offensive, SLORC troops, together with renegade Karen who defected from the KNU to the SLORC, began intruding into Thai territory, embarrassing unarmed refugees, distributing leaflets urging Buddhist refugees to return to Burma, threatening to destroy refugee camps and even abducting refugees. A number of deaths occurred as a result. These actions caused fear and confusion amongst the refugees. Many fled from established camps to new and less accessible locations and, in many camps, the refugees are still struggling to complete the establishment of adequate shelter in advance of the coming wet season. This will now be a major problem.

The earlier threats to the security of the refugees caused by the intrusion of SLORC troops into Thailand, and efforts by the SLORC to force the refugees to return to Burma, prompted the KNU, on 25th February, to appeal for monitoring of the refugee situation on the Thailand-Burma border by an appropriate international body. Subsequent announcements by the Thai military that they would take steps to secure the camps were welcomed by the KNU. It is believed that the UNHCR has requested the Thai government for permission to play at least a nominal monitoring role through the placement of a protection for somewhere near the border, but as yet no action has been taken. The current escalating series of incidents proves beyond doubt that the SLORC is prepared to flagrantly disregard Thai sovereignty and the civil war in Burma has now very clearly crossed international boundaries.

It also demonstrates that the level of protection provided so far by the Thai authorities is inadequate and that the SLORC is prepared to bring about the repatriation of Karen refugees who are clearly unwilling to return to Burma because of the persecution of Karen villagers on Karen areas under SLORC occupation.

The KNU believes that it is undoubtedly in the interests of the refugees that they return to Burma, but insists that this should only occur through a systematic program of voluntary repatriation in accordance with international principles and practices and that this can only occur when a political solution is found to the political problems underlying the long civil war. That is why the KNU has continued to demand that cease fire negotiations with the SLORC include negotiation of the necessary political settlement .

International action needed

The disasters at Maramu Khlo and Kamaw Lay Kho points to two inescapable conclusions:

1. It is time for the Thai government and the international community to recognize the threat posed to regional security by the spill over effect of the civil war in Burma and to provide an effective international presence able to provide security to the refugees and to serve as an effective monitoring body in the Thai-Burma border area.

2. More than ever, it is time for the Thai government, the nations of the region and the international community to explore effective ways to bring about an end to the civil war and a political settlement which can bring peace and democracy to Burma.

Brunei, Malaysia & Singapore

Malaysia

Badawi Regrets U.S. Trade Embargo on Iran

BK0205085495 Kuala Lumpur Voice of Malaysia in English 0800 GMT 2 May 95

[FBIS Transcribed Text] Malaysia has expressed regret over the United States embargo on trade and investments with Iran. It ran counter to the universal hope for global free trade. Foreign Minister Datuk Abdullah Ahmad Badawi said that the move, if true, was unilateral one taken by a developed country, which contradicted the spirit of the World Trade Organization. He told reporters this after discussions with his Algerian counterpart, Mohamed Salah Dembri, who called on him at his office in Kuala Lumpur.

He said, however, Malaysia did not have full information on the order made by the U.S. President Bill Clinton to impose the embargo on Iran, which Washington alleged was supporting international terrorism.

U.S. 'Prejudice' Against Muslims, Islam Cited

BK2704131095 Kuala Lumpur NEW STRAITS TIMES in English 25 Apr 95 p 12

[Editorial: "Guilty until proven otherwise"]

[FBIS Transcribed Text] The initial reaction following the bombing in Oklahoma City blares out like a national embarrassment—that it must be the work of some Middle Eastern terrorism, which meant Islamic fundamentalism, extremism, fanaticism. In the cobwebbed minds of the West, any form of terrorism is lumped together with Muslims and, backed by powerful media and influential and eloquent groups in the West, have provided adequate nourishment for such prejudice to thrive in the minds of ordinary people.

The Iranian revolution has been presented as the country's path to self-destruction, both physically and mentally. Islamic resurgence is equated with militarism and extremism, and the misperception is perpetuated and perpetrated by propaganda machines whose reach touches even outreaches around the world. Such negativism, magnified, results in the impression of Muslims as the root of all evils. To a certain extent, some Muslims are themselves responsible for this negative image by practising deviant extremism and consorting with violence, but the rubber-stamping of Muslims or Middle Easterners as the root of all evils bespeaks of generations of prejudices and misconceptions all too ready to rage into an inferno when provided with the littlest spark.

The World Trade Centre bombing sent America into a tizzy. It was "the single most destructive act of terrorism on American soil". While it condemned terrorism worldwide, it was unthinkable that it would ever happen in America. Now, it is yet even more preposterous that it could be undertaken by Americans themselves, a "homegrown" violence which, had the authorities and the many experts paused to acknowledge, was entirely possible given the numerous incidences of often unprovoked violence committed on innocent men and children. Incomprehensible as it may be to the American authorities, its own citizens hold enough grudges against the Government to commit acts of terrorism, proving that extremism is not the domain of the rest of the world.

The world is surely grieving together with Americans for the loss of so many innocent lives in the bombing. The truth of it being self-inflicted would be painful because the American psyche is inured to the perception that Americans are above terrorism. An external threat involving evil foreign hands in a conspiracy of war against enviable America would perhaps have hurt less. There must be some re-examination of what constitutes preconceived prejudices, often denied, but which overflowed to the surface in the immediate aftermath of the bombing. For example, the American-Arab Relations Committee in New York received 16 death threats within four hours of the bombing. Reports of the Federal Bureau of Investigation seeking three suspects, two of "Middle Eastern", later, Mediterranean appearance fuelled the premature speculations. Discrimination, an officially ugly word, is clandestinely well off in democratic America.

While denouncing religious and social apartheid under the veil of its democratic traditions, the slip shows once in a while. It is hoped that the lifting of their veil will symbolise the opening of their hearts and minds to other communities around the world, especially those against Muslims and Islam. In the midst of the sorrow, the heartache and the revulsion, their ignorance and antagonism towards Muslims must be addressed. Self-realisation as to its faults should help in the process of healing.

Official on Farm Products in CEPT Scheme

BK2804100995 Kuala Lumpur Voice of Malaysia in English 0800 GMT 28 Apr 95

[FBIS Transcribed Text] Malaysia is trying its best to include many unprocessed agricultural products for tariff reduction under the Common Effective Preferential Tariff, CEPT, scheme as quickly as possible.

This was indicated by secretary general of International Trade and Industry Ministry Ahmad Kamaluddin. He said such effort is being made despite the fact that the decision to include these products in the CEPT, the implementing mechanism for the ASEAN Free Trade Area, AFTA, was made by ASEAN only six months ago.

He said this after the AFTA council meeting in Phuket, Thailand.

Air Force Takes Delivery of MiG-29 Jets

BK2804150095 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 28 Apr 95

[FBIS Translated Excerpt] The MiG-29 jets belonging to the Royal Malaysian Air Force [TUDM], are fitted with the latest model engine, one that has never been used by any other jet fighters. An American flying system has also been utilized in the jets.

Defense Minister Datuk Sri Najib Tun Razak said that the TUDM jets are called MiG-29N. The letter N stands for development continuity like the use of N in mathematics.

Datuk Sri Najib formally took delivery of the jets fighters at the TUDM base in Kuantan. He said that the MiG-29N is fitted with the isotope RD 33/3 engine, which is more advanced than the isotope RD33 used in the MiG-29. Besides, the isotope 33/3 engine is more economical and has a longer life span.

The MiG-29N is assembled with a combination of the Russian MiG jet's technology, the TUDM's ideas and imput, and a Western avionic system. Its armaments includes the Russian guided missiles, and some of the components have been delivered to Malaysia.

Currently, Malaysia has taken delivery of 10 MiG-29 jets and four have been assembled, including two twin seaters. Eight more are expected to be delivered in July. [passage omitted]

Badawi Comments on UN Financial Problems

BK0205065095 Kuala Lumpur BERITA HARIAN in Malay 2 May 95 p 6

[FBIS Translated Text] Kepala Batas, Mon—In conjunction with the United Nations' 50th anniversary, Foreign Minister Datuk Abdullah Ahmad Badawi said Malaysia is confident that the world leaders will be able to solve the organization's financial problems.

Abdullah said he was confident that the leaders will take the problem seriously so as to prevent it from worsening.

This was his reaction to UN Secretary General Butrus Butrus- Ghali's statement on the matter during a visit to Permatang Manggis, near here.

In his statement, Butrus-Ghali said that the UN's current shortage of funds is very disheartening and the organization may go bankrupt.

Abdullah also said Malaysia is aware of UN failure to settle problems in several countries, including those in Somalia and Bosnia-Herzegovina.

He said several countries had lost confidence in the UN for its failure to overcome the problems facing those places.

"If the situation is prolonged, we wonder what the fate of this organization will be," he said.

Abdullah said that Malaysia is confident that the organization will function more effectively in the effort to resolve the ongoing conflicts in several countries.

"We hope that the leaders will inject new life into the UN at their meeting in conjunction with the 50th anniversary," he said.

He did not elaborate on when and where the anniversary commemoration ceremony will be held.

Cooperation Agreements Signed With Algeria

BK0205082295 Kuala Lumpur RTM Television Network 3 in Malay 0530 GMT 2 May 95

[FBIS Transcribed Text] Two agreements to boost bilateral economic cooperation with Algeria were signed following a visit by the latter's foreign minister to Malaysia. Foreign Minister Datuk Abdullah Ahmad Badawi said that bilateral economic ties are not very satisfactory despite the close cooperation with Algeria at international forums.

The two agreements were signed by Foreign Minister Datuk Abdullah and his Algerian counterpart Mohamed Salah at Wisma Putra [Foreign Ministry]. The first agreement is on technical, economic, cultural, and education cooperation. The second is a three-month visa-free facility for nationals of the two countries. Datuk Abdullah believes the two agreements will lead to greater economic cooperation between the two countries. In 1993, Algeria's total trade volume with Malaysia stood at 58.4 million ringgit, but in 1994 it dropped drastically to 5.3 million ringgit. Datuk Abdullah said the trade volume consisted mostly of Algeria's purchase of Malaysian palm oil.

[Begin Abdullah recording] The signing of the agreements will make it easier for businessmen, investors, tourists, and civil servants from the two countries to travel and visit each other. [end recording]

Commentary on East Asian Editors Meeting

BK0205092995 Kuala Lumpur Voice of Malaysia in English 0810 GMT 2 May 95

[Station commentary]

[FBIS Transcribed Text] The decision reached at the second East Asian English newspaper editors roundtable, or EAENE, in Kuala Lumpur to set up an East Asian news features network has been looked as an effort to ensure that only correct information pertaining to the region goes out to the readers. It is aimed at providing members easier access to information in the region. The effort is also seen as a way to counter Western media biasness against developing nations. This is because, more often than not, the Western media are willing to provide comprehensive coverage on the contributions of developed countries but are reluctant to do the same when it comes to developing countries. With the effort it is also hoped that Asians will be informed about Asia by Asia and not just by the Western agencies which provide 80 percent of the world news.

Past experiences have shown that the Western media do not value the deeds and sacrifices of the small and developing nations and this posed a challenge to Asian countries whose leaders had the subject baseless reporting by certain sections of the Western media. As such, they face the difficulty projecting their society and leaders from attacks by the international media which use increasingly sophisticated equipment.

It is most heartening to note that the service will be fully funded on a voluntary by EAENE members as this will definitely go a long way to help newspaper organizations to fill up their pages with new newsworthy articles. On the top of that, such a measure will also help in promoting a better understanding among the people of the region through the media as all information will be based on first-hand account. Another plus to the effort is the possibility of the cooperation expanding into something more permanent, and thus, be able to help in the development of the information industry in the region as a whole and, enabling readers to get a more balanced view.

After showing more about Asia from Asia, there is also the prospect that tourism within Asia will flourish due to the interest generated among the people. However, this is something that will only take place over a period of time with the participation of both government and the private sector. But with proper information flow, using the latest technology, there is nothing to stop Asia from realizing its true potential. This is because information technology has contributed immensely to the transforming Asian societies into what we are today—not only more prosperous and independent but also more open and dynamic.

Editorial Views Implications of BN Victory

BK2804145395 Kuala Lumpur NEW STRAITS TIMES in English 26 Apr 95 p 14

[Editorial: "Victory and responsibility"]

[FBIS Transcribed Text] In sweltering heat or lashing rain Malaysians, be they first-time voters or veterans, healthy or infirm, turned up to exercise their voting rights, and their resounding verdict, for the ninth successive time since independence is: We want the Barisan Nasional! [National Front, BN]. Opposition rhetoric, theatrics, and shenanigans have, for the past 37 years failed to drown the voice of the majority of the people, as evidenced by the near total annihilation of the opposition. For, synonymous with the dacing [weighing scale, ruling party's symbol] is stability, peace, and progress.

The people voted with sense and sensibility unwavered and unconvinced by the Opposition's grandiose manifestos and an appeal to sentiments. At the end of the day, the decisive mandate given to Datuk Sri Dr Mahathir Mohamed and his cohesive, pragmatic brand of leadership should be a clear message to the Opposition that the politics of polemics and polarisation in a multiracial setting is unacceptable to the people.

The Barisan's victory was never in doubt, and even the Opposition perished the thought of denying the ruling coalition, as it once rather foolhardily did, a two-thirds majority. The results of the 1995 election and the sweep it made in Penang and the inroads into Kelantan show that the Opposition dalliance with each other may have fooled some people some of the time, but it shows it cannot fool all the people all of the time.

Their campaigns were hampered from the very beginning, anaemic as to issues and lacking both political substance and viable alternatives as against a time-tested system of governance that have seen the implementation of workable policies which have impacted positively on the socio-economic well-being of the people. Prudence supports popular local sayings that one does not bite the hand that feeds it.

The rally behind the Barisan also shows that the people recognise the vast gap between Opposition promises and delivery, opting judiciously for the known rather than the unknown. Despite efforts to discredit it, the surging economy and the country's dignified stand on a host of global and regional issues are factors which have stood the leadership in good stead. With this reaffirmed mandate from the people, Dr Mahathir has successfully negotiated another stretch of the superhighway leading to 2020. The clear support given him shows the people's approval for the domestic policies and international stance taken by the Prime Minister's leadership in the last five years and confidence in the ruling coalition's tenureship for the next five. The strong position of the Barisan Nasional, together with the business community's confidence in the continued stability of the country, should see the country maintaining its fast track to development.

The coalition should, however, not be swept away by an euphoric sense of invincibility for power equals responsibility. The win has made the BN even more powerful, which places an even greater weight on the Government to be more accountable. The lack of opposition should be no excuse for the BN to be less than transparent, a message brought across by [Penang Chief Minister] Dr Koh Tsu Koon. In winning, there should be humility, and in losing, graciousness. The elected Members of Parliament and State Assemblymen have reasons for celebration, but they must also remember their promises, even when made in the heat of courting, because people remember. They are no longer free individuals, but representatives beholden to their constituents.

PAS Dissatisfied With Council Seat Quota

BK0105144095 Kuala Lumpur BERITA MINGGU in Malay 30 Apr 95 p 1

[Report by Kamarudin Mat Akib]

[FBIS Translated Text] Kota Bharu—The PAS [Pan-Malaysian Islamic Party] in Kelantan has expressed dissatisfaction with the quota for state Executive Council members, which it claims to be in favor of the Malay party Spirit of 46.

Several PAS leaders in the state said that the quota division was not fair because the party had won more state legislative assembly seats than the Spirit of 46 in the recently-concluded general election.

Out of the nine Executive Council members sworn in yesterday, five were PAS's representatives while four were members of the Spirit of 46.

One of the PAS leaders who refused to be identified said here yesterday: "Six Executive Council members should be from the party and the Spirit of 46 should be represented only by three members."

He said that there should be a 2:1 formula (two divisions for the PAS and one division for the Spirit of 46) and the agreement adopted at the formation of the Islamic Unity Front (APU), when the two parties were facing the 1990 general election, should be retained.

"This is based on the fact that PAS secured a stronger place than the Spirit of 46 following the 1995 general election," he said.

The PAS won 24 state assembly seats and the Spirit of 46 managed to get only 12. The Barisan National [BN—National Front] won the remainder of the seven seats in Kelantan.

The Kelantan chief minister and the Executive Council members were expected to be sworn in one day after the APU formed its government in the state for a second term.

However, the ceremony was postponed due to the failure to fill one executive seat previously occupied by a representative of Berjasa [Malaysian Islamic Council Front], also an APU component party.

The seat fell vacant when Berjasa's sole representative, Mohamed Yusof Mohamed Nor, who contested in the Kota Lama state constituency, was defeated by the BN candidate Leong Sue Siang with a majority of 1,845 votes.

"The Executive Council post should be allocated to the PAS to fulfill the 2:1 quota which had been agreed upon by all component parties of the APU," PAS leaders said.

The commissioner of Kelantan PAS, Datuk Nik Abdul Aziz Nik Mat, took the oath of office for a second term before the Sultan [state ruler] at Kelantan Palace, in Kubang Kerian yesterday.

At the same ceremony, First Deputy Chief Minister Abdul Halim Abdul Rahman, Second Deputy Chief Minister Datuk Mohamed Rozali Isohak, and six Executive Council members were also sworn in.

The APU leaders have held several rounds of discussions to end the squabble for the Executive Council post.

Mohamed Rozali has also held a separate meeting with Tengku Razaleigh Hamzah, president of the Spirit of 46, here on Saturday to discuss the issue.

BERITA MINGGU understands that the issue will only be settled if there is interference by higher authorities.

The unidentified PAS leader said that the dissatisfaction with the allocation of the Executive Council seats will cause a split between PAS and the Spirit of 46.

"There is a possibility that the PAS will not cooperate with the Spirit of 46 and they will oppose each other in the next general election," he said.

Opposition Party Vows To Continue Fight

BK0105051395 Kuala Lumpur SUNDAY STAR in English 30 Apr 95 p 2

[Passages in slantlines published in Italics]

[FBIS Transcribed Text] Penang—The Barisan Nasional [National Front] state government now has a "wounded tiger" to contend with following the DAP's [Democratic Action Party] crushing defeat in Penang, state DAP chairman Karpal Singh said yesterday.

The Jelutong MP, who is also referred to as the *Tiger of Jelutong*, said the DAP's defeat did not mean the end of the opposition in Penang.

The DAP won one of 26 state seats contested compared to 13 in the previous election.

"The tiger is still alive and ... a wounded tiger is even more dangerous," said Karpal Singh, who retained the Jelutong seat with a slim majority of 283 votes.

He said DAP also suffered a massive defeat in 1982, winning only two state and two parliamentary seats, but rebounded in 1986 and 1990.

Karpal Singh added that the interest of Penang people would be protected as the DAP still had three parliamentary seats apart from the Batu Lancang state seat won by its woman candidate, Chong Eng.

"Although there will be no *Tanjung Four* [election campaign] to capture the state government based on the present scenario, it does not mean that we will not strive to make a comeback," he told a press conference.

"We will ensure that issues are raised through our lone DAP assemblywoman and the three MPs."

On Chief Minsiter Dr Koh Tsu Koon's statement on Friday that backbenchers would be encouraged to give constructive criticism, Karpal Singh said having an opposition outside government was more effective than an internal opposition.

Karpal Singh said the DAP would conduct a post-mortem on Monday to look into the party's dismal performance.

On whether Opposition Leader Lim Kit Siang had decided to quit Penang for good, he said: "As secretary-general, he has to give his attention to the states. He is saying goodbye now but if a new situation arises, he will come back.

Cambodia

'Unprecedented' Cooperation on MIA Case Cited

BK0205104095 Hong Kong AFP in English 1026 GMT 2 May 95

[By Kevin Barrington]

[FBIS Transcribed Text] Ratanakiri, Cambodia, May 2 (AFP)—The remains of an American fighter pilot who crashed in this remote northeastern Cambodian province while on a strafing run over the Ho Chi Minh trail nearly 30 years ago were repatriated Tuesday.

Draped in a US flag, the remains were carried onto a US Air Force C-130 plane while US Ambassador Charles Twining, Foreign Minister Ung Hout and an 80-strong MIA (missing-in-action) investigation team stood to attention.

"You want to give the relatives back home who have been waiting for a very long time the fullest possible accounting, this is why we are up in Ratanakiri," Twining said.

The pilot crashed in 1966 while strafing Vietnamese supply lines on the Ho Chi Minh trail—the main supply line for northern forces during the Vietnam war meandering from northern Vietnam through northeastern

Cambodia and into southern Vietnam,—Lieutenant Colonel Alan Dochnal, the chief of MIA operations in Cambodia, said.

"There was a strafing run and it appears he was not able to pull out of his run and the plane crashed," he said.

There are 38 POW/MIA cases involving 77 Americans in Cambodia, he said.

The team had been searching for another crash site when members of the local Jarai tribe informed them of the whereabouts of the fighter plane.

The pilot's identification could not released until his next of kin were informed, Dochnal said.

Dochnal said the work was often painstakingly slow and Cambodia's tropical climate and the time elapsed made it difficult to find remains.

The team included technical experts and archaeologists, he said.

"To the untrained eye, a lot of the time you would never know what you are looking at," Dochnal said.

"It's wrong to think you can just go up there and you'll find a skeleton lying around on the ground. This case today is 29 years later, we were very fortunate to find anything at all," he said.

Dochnal said reports of live sightings of US servicemen were not treated lightly and were given the highest priority.

"To date there has been over 100 live sighting investigations and in everyone of them the results have been negative," he said.

The ambassador, however, said one could not rule out the possibility.

"Nothing is beyond the realm of imagination," he said.

Despite the Americans' extensive bombing of the Ho Chi Minh trail, Dochnal said there was little damage still visible from the air.

"From the air it's grown over, on the ground bomb craters are what you see and you see quite a lot of them," he said.

The team had also stumbled upon a lot of unexploded ordnance since the present operation began in early April.

"We found a lot of cluster bombs and in a couple of days we plan to go up north to dispose of three 500 pound bombs we found at one crash site," he said.

Although previous MIA teams had been fired at by unidentified gunmen or suspected Khmer Rouge, Dochnal said they had not encountered any security problems in Ratanakiri.

"They tell me there are no Khmer Rouge up here but I am not a fool and we take precautions," he said.

Cooperation from the Cambodian authorities was unprecedented, he said.

The unarmed US team is protected by Cambodian security forces when on operation.

The Cambodians in the area did not appear to harbour resentment about the massive secret US bombing in the early 1970s.

"Cambodians are looking to the future, neither we nor they can revisit history," Twining said.

"Their line is that this is a humanitarian thing," he added.

MIA Remains Handed Over

BK0205115095 Phnom Penh National Radio of Cambodia Network in Cambodian 1100 GMT 2 May 95

[FBIS Translated Text] On the morning of 2 May in Ban Lung Town in Ratanakiri Province, a ceremony was organized to officially hand over remains of a U.S. soldier missing in action [MIA] in the war at the end of the 1960's. The remains, thought to be those of a U.S. aircraft pilot that crashed in Ratanakiri Province, were handed to His Excellency [H.E.] Charles Twining, U.S. ambassador to Cambodia, by H.E. Ing Huot, minister of Foreign Affairs and International Cooperation; H.E. Kep Chhutdema, governor of Ratanakiri Province; and General Nuon Saret, head of the Committee searching for U.S. servicemen missing in the war in Cambodia.

Before signing the documents handing over the remains, H.E. Ing Huot, minister of Foreign Affairs and International Cooperation, said the Royal Government and the Cambodian people have made efforts to cooperate closely with the U.S. side to search for remains and have achieved successive results. The Royal Government and the Cambodian people pledge to continue to cooperate in this sector even in difficult circumstances to find more remains of missing U.S. servicemen.

Also speaking on this occasion, H.E. Charles Twining, U.S. ambassador to Cambodia, profoundly thanked the Royal Government of Cambodia, the Cambodian people, and the Ratanakiri provincial administration for their efforts to search for the remains of U.S. servicemen who have been missing nearly 30 years.

It is to be noted that the remains will be taken to the center in Hawaii for tests and identification. Four U.S. servicemen have been found and identified since 1991.

Commentary Urges Cooperation With U.S. Probe

BK0205102295 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 1 May 95

["Political commentary": "Sooner or Later the Criminals Will Be Punished by Law"]

[FBIS Translated Text] As the Royal Government exercises its right to self-defense by continuing to attack the stubborn Khmer Rouge elements engaged in crimes in the country's northwest, an investigation team headed by an American is also launching a campaign against the rebel leaders. This is the work of the Documentation Center, a program sponsored by the U.S. State Department to record the Khmer Rouge's genocidal actions during their 1975-1979 rule and to make a list of those responsible for these crimes to be tried for genocide.

The investigation team is using modern scientific methods in its documentation efforts. Everyone knows that several mass graves have yet to be unearthed. This year the investigation team plans to attract people from many important sources, including international experts, to help examine these graves. The investigation team has enjoyed the cooperation of Yale University. The U.S. Congress passed a bill in April 1994 to investigate the Cambodian genocide and bring to trial any criminals responsible for the genocidal massacre.

The Documentation Center will collect considerable documentation—such as written autobiographies, pictures, and film—detailing torture, killings, and forcible labor and starvation perpetrated by the genocidal Khmer Rouge regime. At the same time, the investigation team intends to ferret out the minutes of Khmer Rouge meetings and scores of other documents accumulated and compiled from official negotiations all over the world that are believed to have some connection with the activities under the Democratic Kampuchea regime—such as those in China, France, the United States, Australia, Germany, Vietnam, and Cambodia. A large number of documents has already been collected from hundreds of thousands of Cambodians who fled the killing fields to live in third countries or in refugee camps along the Cambodian-Thai border.

Through this meticulous and energetic work, our people hope that the murderers whose hands are soaked with the blood of innocent and unlucky citizens will not escape condemnation by the international tribunal. It should be recalled that Pol Pot, the top leader of the Khmer Rouge rebels, and Ieng Sary, his right-hand man, were sentenced to death by a Cambodian tribunal in 1979. The Cambodian tribunal at that time, however, could not physically bring the leaders of the Khmer Rouge rebels to trial. This time, these leaders will surely not escape condemnation as in the past.

Our people appeal to the entire international community to cooperate with the investigation team in dragging these criminals to trial so they can be punished by law.

Hun Sen Stresses Seriousness of Trade Imbalance

BK0205064595 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 1 May 95

[FBIS Translated Text] Samdech Hun Sen, second prime minister, said with concern that the trade imbalance is too serious to be resolved during the term of the present royal government. He noted that there is an acute imbalance between exports and imports, saying that imports have been excessive. The domestic and foreign trade balance is experiencing a serious deficit, he said.

According to Trade Minister Cham Prasit, the imbalance is too conspicuous. Exports currently amount to just 20 percent of imports. This problem stems from the inability of the private sector to rectify the trade imbalance.

Hun Sen continued: We must make a great effort with this problem. Next year the United States will probably pass a bill to give most favored nation status to Cambodia and 26 other countries. Therefore, we must capitalize on this opportunity to promote investment in domestic production so that we will have goods for export. Nevertheless, during the term of our present government no trade balance will ever be achieved because the imbalance has been too serious.

Hun Sen made these remarks during a seminar discussing national policy toward women at Hotel Sofitel Cambodiana on the evening of 27 April.

Khmer Rouge Hail Rangsi's New Party Plan

BK0105152395 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 1 May 95

[Unattributed report]

[FBIS Translated Text] Sam Rangsi, deputy chairman of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, openly announced the formation of a new political party on 25 April, breaking with the devilish Ranariddh.

Hearing this news, the masses in Phnom Penh applauded enthusiastically and expressed support for Sam Rangsi. The masses in Phnom Penh from all social strata said: It has to be done like this, it has to be done like this. They added that a saint can never stay with a bandit; a nationalist can never stay with a nation selling and nation and people killing traitor; a clean person can never stay with a group of extremely corrupt and decayed people; and a correct, law-abiding person can never stay with those who know only the law of the jungle and are extremely fascist. The group of doomed people can only stay among themselves. They must be clearly separated.

This event emphatically shows that national and popular hatred is almost at a peak; every Cambodian's hatred is at a peak. None of them—in the countryside and Phnom Penh—can remain patient any longer. They are increasingly seeking ways and means to fight.

The forces are already clearly separated. The forces wanting national reconciliation, an end to war, and what is correct and legal are on one side—they are the national and popular forces that are constantly growing. As for the forces on the opposite side, they belong to the clique of those betraying, selling, and killing the nation; the clique of the communist Vietnamese and American puppets who are increasingly becoming isolated. No Cambodian sides with them.

Any personality or political party with a concrete policy and activities that serve national reconciliation and national unification with a view to ending war, saving the nation, and protecting the nation and race will be supported by the nation and people. The nation and people support Sam Rangsi because he is struggling to achieve national reconciliation, end war, and combat the extremely corrupt nation selling and nation and people killing practices.

Sam Rangsi's Plan To Form New Party Assessed

BK0105153995 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 30 Apr 95 pp 1, 3

[Report by Srei Neat]

[FBIS Translated Text] Om Rasadi, chairman of the National Assembly Foreign Affairs, International Cooperation and Information and Press Commission and a high-ranking official of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party, told REAKSMEI KAMPUCHEA on the morning of 28 April that Sam Rangsi's announcement of the formation of a new political movement is an insignificant matter and that no comment should be made on the matter. He explained that comments can be right or wrong, but the entire people are affected by those comments, not just two or three people.

Om Rasadi added that about 8-10 million Cambodian people are enjoying tranquility and the Royal Government is making fairly good headway with encouragement from the international community. The current visit to Cambodia by the Australian governor general, for instance, is a great honor for Cambodia.

Om Rasadi tried not to elaborate on the issue of Sam Rangsi by referring to the party's principles and the rights and freedoms of an individual in a democratic country. He told REAKSMEI KAMPUCHEA that this issue can be separated in two; that is, the principles of the FUNCINPEC party and the individual's freedom of expression. He explained that the Sam Rangsi case depends on the resolution of the party's commission of directors. So far, he has not seen any party announcement on Sam Rangsi.

Sam Rangsi's announcement on 26 April says the reason for the formation of a new political movement is "to save our motherland in a timely fashion." The announcement argues that Cambodia will sink in the near future if the leaders are allowed to continue the present policy."

So far, there has been no reaction from the Royal Government to the criticism of the government in the Sam Rangsi announcement. On 26 April, Prince Krompreah Norodom Ranariddh, first prime minister and chairman of the FUNCINPEC party, said: "Under a democratic regime and in a liberal state, Sam Rangsi is free to form an opposition party. If he wants to set up an opposition party, though, in my opinion he should quit the FUNCINPEC party because we are part of the coalition government."

Those close to Sam Rangsi said on the morning of 28 April that there is no sign yet that Sam Rangsi will resign from the FUNCINPEC party.

Om Rasadi explained to REAKSMEI KAMPUCHEA that the matter is an internal affair of the FUNCINPEC party and it is an insignificant issue. Many analysts, though, do not consider it a small matter.

Khmer Rouge Comment on Victory Anniversary

BK2904143995 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 28 Apr 95

[Unattributed commentary: "The United States and Allies Mark the 20th Anniversary of Their Defeat in Cambodia With Pain, Darkness, and Despair"]

[FBIS Translated Text] On 17 April the United States and its allies marked the 20th anniversary of their defeat in Cambodia with pain, darkness, and great despair over their second war of aggression in Cambodia. They acknowledged that the two-headed regime cannot escape death in the very near future.

Why did the United States and its allies let out such a cry? Here are the main reasons:

1. The 20th anniversary of the U.S. defeat in Cambodia coincided with the serious setback of the two-headed government—the instrument of the war of aggression of communist Vietnam and its allies—during this 17th dry season, particularly the defeat of the large-scale offensive in northern Cambodia. The United States, France, and Australia made great efforts to organize this offensive. They financed the purchase of many tanks, armored vehicles, and artillery pieces for this big offensive. Furthermore, top commanders from the United States, France, and Australia traveled to and from Cambodia like clowns to prepare the two-headed government's troops for this offensive. They even set up so-called guerrilla forces. They made up their minds to try to achieve victory during this 17th dry season, but they failed to achieve their objective. On the contrary, this large-scale offensive was seriously defeated; it is not even the end of the dry season yet. This has made people clearly realize that the two-headed government is down and out on the military battlefield despite efforts by the United States, France, Australia, and communist Vietnam to prop it up. It awaits only death.

2. The 20th anniversary of the U.S. defeat coincided with the cooperation between the National Army of

Democratic Kampuchea and our people to implement a guerrilla and people's war increasingly well and to fight and pin these guys down on all battlefields nationwide. We attacked them in the area around Battambang town and in Battambang itself from every direction. We also cut the railway line and Route 5 from Phnom Penh and from Sisophon-Poipet. We have also cut Routes 6, 68, 69, and 12—the lifelines of the two-headed government in northern Cambodia. This situation has made the United States and its allies clearly realize that the war they are waging in Cambodia this time around is following the same path. Their quick war was defeated; this protracted war is being defeated even more.

This is why the United States and its allies marked the 20th anniversary of their defeat in Cambodia with loud cries, darkness, and despair. Their only two choices are to accept disgraceful defeat as in 1975 or else let the Cambodian nation and people achieve genuine peace and national reconciliation for everyone's benefit.

Khmer Rouge Army Urges Further Attacks

BK0205091395 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 30 Apr 95

["Communique" issued by the National Army of Democratic Kampuchea on 29 April; place not given]

[FBIS Translated Text] I. The 17th dry-season plan of communist Vietnam, the alliance, and two-headed government had failed and had to wind up totally and permanently as of 18 March 1995.

The fact is that their plan had to end totally and permanently because they suffered serious and shameful defeats. This is because their major plan was aimed at attacking the people and resistance forces in the north, west, and elsewhere throughout the country to redress the defeats suffered in the 16th dry season at Anlung Veng, Pailin, and elsewhere throughout the country.

The fact is that their total and permanent defeats in this 17th dry season is because they no longer have troops to fight. Their old and new troops were killed or wounded with all types of punji stakes and mines. Hundreds and even thousands of their troops deserted their ranks and the battlefield because they were attacked with mines; they had to endure sniper fire; their land and sea routes were disconnected; they were cut off from supplies, water, food, and medicine; they suffered from malaria; and they were compelled to sleep on the ground. Another important point is that they could no longer command their troops. None of them could command their troops. Their troops mutinied and attacked rice storage depots in order to get rice to eat after suffering from food shortages for a long time. Moreover, the rank and file kept looking for a chance to attack their commanders. The commanders did not dare to meet their subordinates. Prum Samen, Van Sophat, Nhoek Bunchhai, and Khan Savoeun avoided meeting their soldiers out of fear that they would be asked about unpaid salaries and that they might even be shot to death.

That was the shameful defeat suffered by communist Vietnam and the alliance—the United States, France, and Australia—which have come to kiss communist Vietnam's ass, giving them dollars and providing the communist Vietnamese puppets—the two-headed elements—with war materiel to continue fuelling the communist Vietnamese war to kill the Cambodian nation, people, and race.

But in the past two years, communist Vietnam has cost the alliance very dearly. The FUNCINPEC [National United Front for an Independent, Peaceful, and Cooperative Cambodia] and para groups—U.S. puppets—have all been smashed by the communist Vietnamese. The alliance only has the stinking remnants.

II. The 17th rainy season has now begun. Our people and our National Army of Democratic Kampuchea have fought to end the 17th dry season for one and a half months now, that is, the second half of March and the whole month of April, and achieved good results successively. This created many favorable conditions for us to move on.

Officially, the dry season winds up at the end of April and the rainy season starts at the beginning of May. Our nation, people, and national resistance forces are well aware of the obstinate, warmongering nature of the communist Vietnamese, alliance, and two-headed government which have tried hard to survive. Moreover, we know that many national and social problems still exist. This is because communist Vietnam has committed aggression, expansion, and race extermination against Cambodia; the 4 million Vietnamese are still everywhere in Cambodia; and the alliance is involved in carrying on the communist Vietnamese war—military, political, economic, psychological, and social war—and in corruption and vicious deeds in all aspects and at all levels. Therefore, serious national and social problems in all aspects and at all levels still exist. Our nation and people have suffered seriously for the past 16 years and are still seriously suffering. Therefore, the tasks of the nation, people, and resistance forces in this 17th rainy season that we firmly grasp, understand thoroughly, and towards which we turn our mental and physical vigor and seething national and racial hatred are to continue striving to attack the old and new enemies with our guerrilla and people's war in a resolute and persistent manner.

The guerrilla and people's war must be launched everywhere. Everywhere, there must be punji stakes—plain and poison stakes—punji pits, booby traps, and slinging stakes hanging on trees. Everywhere, there must be mines, mines which are produced at home and abroad, parcel mines, canned mines, bamboo mines, and slinging mines set on trees. Everywhere, there must be guerrilla groups of three, five, seven, and 10 men to snipe at and shoot the enemies, constantly pinning them down. Large and small communications routes overland and at sea—lifelines of the enemies—must be implanted with punji stakes and mines. Mines must be set ready for detonation and punji stakes must be planted in pits covered with trees and bamboo sticks. Everywhere, there must be attacks to smash and sweep away all categories of the civilian administrators of the communist Vietnamese and two-headed government. Everywhere, there must be attacks to smash and sweep away the spy networks and implanted agents of the old and new enemies. Everywhere, there must be attacks to smash and sweep away the Communist Party of Vietnam's agents which are leading the communist Vietnamese puppet party, the two-headed elements, and the 4 million Vietnamese everywhere. Everywhere, there must be attacks to annihilate the Vietnamese men and women to avoid having them lord it over and seize the natural resources of our nation and people. Everywhere, the people must strive to implement their three don'ts and three do's [bei dom bei karsang] to encourage the two-headed soldiers to turn their guns against their own commanders, to smash and destroy the arsenals of the two-headed government, and so forth.

This means that everywhere, there must be destruction, destruction of the two-headed elements—be they the military, police, or civilian administrators—and their economy, transportation routes, and everything that belongs to the enemies. At the same time, we must strive to build ourselves. That is, everywhere, we must link closely to the people, especially the people who have suffered the most and who have nurtured the strongest dissension against the communist Vietnamese, alliance, and two-headed government. Everywhere, we must keep in touch with and help the people to build themselves in line with correct political and organizational lines. This is because the people, especially the poor peasants at the base of society, have been ruthlessly oppressed by the enemies of all stripes in the past nearly 17 years. These people have had a vigorous and deep conflict with the old and new enemies. There are countless numbers of these forces. There are thousands and even tens of thousands of them in each commune, tens of thousands in each district, and hundreds of thousands in each province. They constitute sources of all types of forces, including political, economic, manpower, organizational, propaganda, and psychological forces; the three-don'ts and three-do's forces; forces for leading the way and collecting information; guerrilla forces; forces for cutting roads, producing punji stakes, planting punji stakes, producing mines and planting mines, and for doing everything.

In sum, it is imperative to firmly grasp and lively implement the six knock-downs and five buildup's.

The rainy season officially begins 1 May. The rainy season will end officially at the end of October. Therefore, the rainy season will last for six months. These six months will be rainy months. The enemies suffer more when it rains. When it rains heavily, they will not be able to deploy their artillery, tanks, and trucks; transport their supplies; and maneuver their infantry troops. It will be difficult for them to go to distant places because it is difficult to walk in flooded areas; because there are punji stakes, punji stakes, and punji stakes and mines, mines, and mines everywhere; and because (?the guerrillas) will detonate mines, snipe at them, and assault them.

For this reason, the National Army of Democratic Kampuchea would like to call on the committees on all battlefields, units, fronts, and spearheads throughout the country to conduct activities by themselves and to closely join with the people in implementing the offensive lines according to the above-mentioned guidelines in an active manner everyday.

It is imperative to set a 10-day plan to be able to pursue it thoroughly, constantly, and flawlessly. By implementing the 10-day plan, we will be able to grasp the offensive and actively fight. There are 180 days in the six months of the current rainy season. Therefore, there will be 18 such plans. Only by implementing these 10-day plans 18 times continuously will there be punji stakes and mines everywhere; will all overland and sea routes be cut off; will the civilian administration of the old and new enemies everywhere be wiped out; will all the small, medium-size, and big positions of the two-headed troops in the outlying areas be attacked and encircled by our national army and people with punji stakes, mines, sniper fire, mine detonations, and road blockades. By so doing, they will be exhausted and our forces will be able to smash them everywhere.

We will attack the enemies, their civilian and military administration, and army and police forces, not only in the outlying countryside, but we will attack them in both the old and new rural areas and liberate all those localities. Strategic roads, such as Route 12, have been demolished. Routes 6, 68, 69, 5, 10, and 56 and various railroads also have been demolished. As for the railroads, they have all become useless after our people and national army dismantled their sleepers and turned the rail pins into knives and axes.

We have cut to pieces the various waterways, such as Chinit, Sen, Stoung, Kralanh, Sisophon, Mongkolborei, the upper and lower Sangke, and Pursat, Tonle Sap lake, and the Mekong, Se Kong, Se San, and Sre Pok Rivers.

On the one hand, we must cut the enemy's lifelines and their throats into pieces. On the other hand, we must launch offensives to liberate villages and communes and attack the civilian and military administration and the military and police forces of the enemies. Only by so doing can we strengthen and expand our liberated zone even more broadly and consolidate our mastery as a result of the enemies' throats being successively slashed. We must grasp this well: Cut off the enemies' throats! Cut off the enemies' throats! Cut off the enemies' lifelines! Cut the enemies' lifelines overland and at sea by using all types of punji stakes and mines; by digging holes in the ground everywhere to avoid the enemies from reopening their lifelines in both the rainy and dry seasons; and by destroying bridges with guerrilla activities and sniper fire.

We must use our two hands in a systematic manner throughout the six months of this 17th rainy season, that is, in the 18 10-day plans.

III. Our nation and people have suffered and are suffering seriously. They were killed, wounded, maimed, or became blind. They have lost houses, villages, cattle, and land because of the communist Vietnamese, the 4 million Vietnamese, the alliance—United States, Australia, and France—and the two-headed elements—Vietnamese and foreign lackeys. Their hands are stained with the blood of countless numbers of our nation and people. They are trying to exterminate our nation and race. However, thanks to the struggle waged by the resistance forces of our entire nation and people, our nation, people, race, and resistance forces have been able to stand up firmly with pride, lofty heroism, and the firm confidence that they have fought for national salvation for 16 to 17 years now. They can fully carry on the national salvation struggle until victory is achieved.

All of us together with the people from all social strata—especially the peasants and poor people who have suffered the most due to the old enemies, the communist Vietnamese, new enemies, the alliance, and the two-headed government—must continue to vigorously hold aloft our militant banner, fight against, and inflict even more serious defeats on the old and new enemies in the current 17th rainy season. This will enable our nation, people, race, and resistance forces to continue standing firmly in their capacity as a nation, a country, and a people fully enjoying national independence, sovereignty, and territorial integrity as do all other people in the world.

We must fight with a firm, resolute, and lofty sense of responsibility in line with the 18 10-day plans; we must carry out the 18 plans in line with our combat lines. We must fight to salvage our nation, people, and race. This is the solemn vow of our nation, people, and all national resistance forces.

[dated] 29 April 1995

Indonesia

Envoy Views Settlement of East Timor Issue

BK3004092595 Jakarta SUARA PEMBARUAN in Indonesian 24 Apr 95 pp 1, 19

["Excerpts" of an interview with Mario Viegas Carrascalao, former governor of East Timor and current Indonesian ambassador to Romania, by an unidentified correspondent in Dili on 22 April—italicized passages in English]

[FBIS Translated Text] [SUARA PEMBARUAN] We heard that you turned down the UN secretary general's invitation to attend a meeting between pro- and anti-integration groups in Salzburg, Austria.

[Carrascalao] I had two reasons for turning down the invitation. First, I am the Indonesian ambassador to Romania. The invitation was not part of the duties entrusted to me. Second, the invitation was addressed to me as an individual. I think that as an individual, I can only act on matters of no interest to the Republic of Indonesia. Once the interests of the Republic of Indonesia are involved, I cannot act as an individual. In assuming the post of Indonesian ambassador, I fully recognized the integration of East Timor into the Republic of Indonesia, because I would not have become an ambassador if East Timor had not been part of Indonesia. Therefore, what would I talk about as an individual? I would explain the East Timor situation at the meeting if I was assigned to do so by the Republic of Indonesia Government, acting as its envoy. As an individual, I can have nothing to do with Horta and Abilio Araujo. I consider the integration final; I accept the integration of 1975. I can question the situation, but not the integration. I was vocal when I was governor, but I did not question integration. I sought ways to improve the situation in East Timor as a manifestation of the integration, because I consider the integration final.

[SUARA PEMBARUAN] How did the Department of Foreign Affairs react to your rejection?

[Carrascalao] I reported my rejection to the minister of foreign affairs and sent a letter to the UN secretary general saying I was unable to attend the meeting because I represent the Republic of Indonesia Government.

[SUARA PEMBARUAN] What will the diplomatic value of the meeting be?

[Carrascalao] In my opinion, as a *confidence-building* forum, the meeting is designed to create a favorable atmosphere for substantive talks on the East Timor issue. I do not personally know what the substantive talks will be, but I think that substantive talks will not be held between the pro- and anti-integration groups but rather between the foreign ministers of the Republic of Indonesia and Portugal under the sponsorship of the UN secretary general. The two ministers can achieve fair and good results if there is a preliminary mutual understanding between the pro- and anti-integration groups.

[SUARA PEMBARUAN] Have you ever met any of those opposed to the integration, including your own brother Joao Carrascalao, while on duty abroad?

[Carrascalao] I have no interest in such meetings. I am a man of principle. Now that I have chosen Indonesia, I will remain committed to Indonesia. Following the Rome talks, my brother Joao Carrascalao came to the Romanian capital, Bucharest, after obtaining the consent of Foreign Minister Ali Alatas. He called me because he wanted to visit the official residence of the Indonesian ambassador to Romania. I asked what he wanted to see me for—I am Indonesian; you are not. I am the ambassador of Indonesia, not East Timor. You cannot stay at the residence of the ambassador of the

Republic of Indonesia. I cannot see you in a country to which I am accredited as ambassador. We are indeed brothers, and we can see each other in any place I do not represent the diplomatic interests of the Republic of Indonesia. I learned that he stayed at a hotel after hearing my explanation. He later returned to Australia. We did not see each other. This was a matter of principle. I did not disown him as my brother. We remain brothers, but I have to uphold my principles.

[SUARA PEMBARUAN] Ramos Horta and Abilio Araujo?

[Carrascalao] I am sorry. I know them too well. I do not and will not trust Fretilin [Revolutionary Front for an Independent East Timor]. Therefore, *sorry no way* I can trust Fretilin members. Based on my experience, they could not be trusted when Fretilin was still a political party. They cannot be trusted, not now or ever.

[SUARA PEMBARUAN] How do you see public opinion in other countries regarding East Timor?

[Carrascalao] I am confident that foreign parties—Portugal and its allies—will gradually remove the East Timor issue from their agenda if the situation in East Timor improves further. Everything depends on the situation in East Timor itself. If there is no longer any disappointment, frustration, or displeasure in East Timor, the East Timor issue will disappear abroad because there are bigger problems in the world. We in East Timor seem to regard the East Timor issue as a major problem, but the world sees Bosnia- Herzegovina, Rwanda, and others as very big problems. The East Timor issue does not bother the world. Put the issue this way: There is smoke abroad because of the fire in East Timor. Therefore, let us put out the fire to prevent any smoke!

[SUARA PEMBARUAN] How can the situation in East Timor be redressed?

[Carrascalao] There should be a special development concept that can truly meet the aspirations of the East Timor people. The Republic of Indonesia Government has spent a huge amount of money in East Timor. The government has paid special attention to East Timor, unlike other regions, primarily because of its background, which has frequently been exploited for political purposes.

[SUARA PEMBARUAN] Is the unity of the East Timor people important?

[Carrascalao] It is very important. Unity is the main asset for a comprehensive settlement of the issue in the international arena. Accordingly, there should be no factions. Factionalism is a sensitive point. There were already signs of factionalism when I was governor.

Creating Favorable Conditions

[SUARA PEMBARUAN] How do foreign diplomats view the issue?

[Carrascalao] In my opinion, they do not question the status of East Timor, although there have been occasional complaints about the human rights situation in East Timor. Portugal's position is important. If the situation in East Timor improves, Portugal may even approach us and urge the East Timor people to accept integration. We must realize that the East Timor issue is no longer a matter for any political party in Portugal because the issue now involves the government. Thus, whoever leads Portugal will continue to pay attention to the issue, which remains in the country's Constitution. Accordingly, we must create favorable conditions in East Timor, and Portugal itself will one day ask the East Timor people to be part of Indonesia.

[SUARA PEMBARUAN] What is the government doing to settle the issue?

[Carrascalao] Hopefully, the issue will be settled under the Sixth Development Cabinet because of our commitment to this objective. Only one obstacle stands in the way of talks between the two foreign ministers under the sponsorship of the UN secretary general. Portugal is still internationally recognized as the *administrator power* and East Timor remains in its Constitution. For us, integration was finalized through Law No. 7/1976. There should now be a *take and give* attitude toward mutual understanding to settle the issue. It is up to us now. Seriously improve the situation in East Timor! The authorities have grown closer to the people. This is a good step. They should seek ways to be closer to the people. The people will thus truly feel the presence of the Armed Forces of the Republic of Indonesia and the local administration as their protectors. The people will develop a sense of happiness, and Portugal will one day concede defeat and recognize Indonesia as the only country capable of making the East Timor people prosperous.

[SUARA PEMBARUAN] What about the role of the Catholic Church?

[Carrascalao] All sides must understand and realize that the Catholic Church plays a very important role in East Timor on a short and long-term basis. We know that the Catholic Church is still directly under the Vatican because of the international nature of the East Timor issue, but we must create harmonious relations for the sake of development here. We must encourage the East Timorese to give information on development not only to the church but also to local administration officials. In other words, we must create a conducive atmosphere that will enable the people to see local administrations, not just the Catholic Church, as their protectors. We must create such conditions without any deviation.

Suharto Receives Chinese General Zhang

BK2604051895 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 25 Apr 95

[FBIS Translated Text] General Zhang Wannian, Chief of the General Staff [CGS] of the Chinese People's

Liberation Army [PLA], paid a courtesy call on President Suharto at the Merdeka Palace this afternoon. Gen. Zhang Wannian, who was accompanied by Gen. Feisal Tanjung, commander of the Armed Forces of the Republic of Indonesia, during the courtesy call, told reporters later that his visit to Indonesia at the invitation of Armed Forces Commander Gen. Feisal Tanjung was designed to strengthen relations between the two armed forces. He described his talks with President Suharto as very friendly and cordial. The two countries are developing their relations on the basis of the 10 Principles of Bandung [issued at the 1955 Afro-Asian Conference] and the principles of peaceful coexistence. Gen. Zhang Wannian expressed his satisfaction over the results of his talks with President Suharto.

Suharto Meets With Algerian, Malagasy Ministers

BK0105135795 Jakarta ANTARA in Indonesian 0752 GMT 1 May 95

[FBIS Translated Text] Jakarta, 1 May (ANTARA)—Algeria and Madagascar have expressed their interest in further enhancing bilateral relations with Indonesia, although the efforts still face various obstacles.

After meeting President Suharto at the Bina Graha Presidential Office in Jakarta on Monday, Algerian Foreign Minister Mohamed Salah Dembri said that relations between the two countries could potentially be developed in the future, especially in the economic field.

Mohamed Salah Dembri added that economic players in the two countries should enhance their direct contacts.

Algeria is more oriented toward the European countries in its economic relations. According to Dembri, Algeria could import many Indonesian products and commodities and Indonesia could reciprocate.

He said an agreement signed by the foreign ministers of the two countries has provided businessmen from the two countries with a legal basis to pursue economic relations.

The Algerian foreign minister was accompanied by Redha Hemiani, minister of light and medium industries, while the president was accompanied by Foreign Minister Ali Alatas.

Meanwhile, Malagasy Foreign Minister Jacques Sylla said following a meeting with the president that relations between the two countries could be enhanced in the future despite their geographical locations.

Sylla emphasized that relations between the two countries are deep-rooted. "The Malagasy are frequently asked whether they are Indonesians."

He said the Malagasy regard Indonesians as their brothers.

Enhancement of Cooperation

The deep-rooted relations are an asset for the enhancement of economic cooperation between the two countries, he said.

Sylla admitted that their geographical locations pose an obstacle, but the obstacle will not seriously affect the enhancement of bilateral relations.

He proposed that air transport between the two countries be promoted to overcome the long distance.

Indonesia bought clove from Madagascar before Indonesia was self-sufficient in the commodity. At present, bilateral economic relations mainly involve mining and cotton.

Like the Algerian foreign minister, the Malagasy foreign minister was accompanied by Foreign Minister Ali Alatas during the meeting with the president.

The Algerian and Malagasy foreign ministers expressed their appreciation for President Suharto's role in promoting the cause of Southern countries through the Nonaligned Movement and hoped that Indonesia will continue to play its role as chairman of the Nonaligned Movement.

Foreign Investment Hits New High in 1st Quarter

BK0205044195 Jakarta THE JAKARTA POST in English 25 Apt 95 p 9

[FBIS Transcribed Text] Jakarta (JP)—Minister of Investment Sanyoto Sastrowardoyo said yesterday that foreign investment approvals during the first three months of this year reached U.S.$12.9 billion.

"This is the highest level of foreign investment recorded among members of the Associations of South East Asian Nations (ASEAN) ... This shows that Indonesia remains an attractive site for foreign investment," Sanyoto said after opening a seminar on backward linkages of investment projects.

By comparison, approved investment projects during the first two months of last year reached U.S.$10.4 billion. For the whole of 1994, Indonesia recorded an impressive record of U.S.$23.7 billion in approved foreign investment, up by almost 300 percent from the previous year.

Power generation and oil refining projects accounted for the bulk of licensed foreign investment during the first three months of this year. Among the approved project are the Sabang Oil Refinery, with a total investment of U.S.$1.59 billion, Indo Sox Ltd [limited]—also an oil refinery—with $2 billion, Norco Internusa, with $1.8 billion, and Jawa Power, with $1.98 billion.

The figure released yesterday apparently does not include investment in the multi-billion dollar Natuna gas liquefaction project in Riau province.

Sanyoto said that many of the licensed projects were small investment ventures, including supporting industries in electronics, automotive manufacturing and machinery.

"So, what Nomura concluded in its research report is not borne out by the evidence down here," Sanyoto said, referring to a 1993 study by Japan's largest securities firm, the Nomura Research Institute.

According to Nomura's research, which covered 625 Japan companies, Indonesia ranked fourth as a favored site for Japanese investment, after China, the European Union and the United States.

Nomura put Indonesia in fifth place for Japanese investment in the electronics industry, after China, the European Union, the United States and Malaysia.

Sanyoto said that Nomura's findings seemed inaccurate, and said that Panasonic of Japan provided a counter example.

Panasonic, he said, had committed itself to relocating its largest loudspeaker manufacturing plant to Indonesia. The project is intended to produce 50,000 loudspeakers per year.

A number of foreign semiconductor companies have also promised to relocate their plants to Indonesia, Sanyoto said.

Indonesia gained a bad reputation in the semiconductor industry when both Fairchild and National Semiconductor—two semiconductor companies—left Indonesia in 1986.

Sanyoto rejected any notion, yesterday, that Indonesia's country risk for foreign investment was increasing. "Some even say Indonesia's country risk is higher than Pakistan or even Bangladesh. That is a groundless argument."

In its Indonesia Risk Report 1995, Hong Kong-based Political and Economic Risk Consultancy Ltd grades Indonesia's foreign investment risk at 3.25 in a range of zero (the lowest) to ten points (the highest), which is the same as the grade Indonesia received last year from the same firm.

Editorial Supports Intellectual Property Law

BK2904113195 Jakarta SUARA KARYA in Indonesian 28 Apr 95 p 5

[Editorial: "Penalty for Intellectual Property Rights Violators"]

[FBIS Translated Text] We fully understand that intellectual property protection is very important to the nation's progress. Without it, individuals or companies will not be motivated to do research and development. People need much time and money to create or develop new products and they hope to reap the benefits of their investments. Companies also spend a great amount of time and money in research and development.

Companies want to penetrate and dominate markets and so their investments will be covered by marketing new products. It is easy to imagine how much losses a company will suffer if an individual or another company simply copies its brand new product. The pirate company can sell the pirated product at much cheaper prices because it did not have to spend money in research and development. The company that invented the new products will then be hit hard and may even lose the market.

It is likely that the affected company will no longer be interested in investing much money to make new products. As a result, the inclination to carry out research, development, and make new products will decrease or even disappear at the national level. Then, our country will need to depend on other countries, or in other words, we will continue to lose out in the global competition.

The absence of intellectual property protection also reduces Indonesia's competitiveness as an investment destination. Foreign investors will be reluctant to invest and manufacture top-quality products which usually require years of hard work, costly investments, and experience, if they are going to be pirated and sold at lower prices and quality. The declining interest of foreign industrialists to invest in Indonesia also means less opportunities for technology transfer to take place.

The enactment of Law no. 6/1989 on copyrights protection effective 1 August 1991 was an important step for our country in view of rising global competition. However, the enactment of a law will itself have minimal effect if it is casually enforced. Therefore, we welcome Minister-State Secretary Murdiono's remarks that the penalty for copyrights violators will be made heavier, while more crackdowns will be carried out.

We should support Murdiono's remarks because we are believe that the penalty for copyrights violators is rather light compared to the losses suffered by copyrights owner and the huge profits reaped by the violator. To cite an example, the West Jakarta court recently only demanded a four-month jail term minus detention time for a computer software pirate. However, the court finally sentenced him to only four months in jail with a 10-month probation period.

If such a situation is allowed to continue, the Law no. 6/1989 will become an ineffective tool that will be ignored by the people. We do not want to speculate whether there is something fishy in the judiciary process against copyrights violators or whether law enforcement officers lack adequate knowledge of such a law. Obviously, there are still many obstacles against the effective implementation of the law. Therefore, we hope the government will exert more efforts in this case in view of the importance of intellectual property protection to the nation's progress.

Rumored Suharto-Military Friction Denied

BK0205081995 Jakarta SUARA KARYA in Indonesian 29 Apr 95 p 1

[FBIS Translated Text] Bandung (SUARA KARYA)—General R. Hartono, Army chief of staff, has dismissed the view that there is a gap [preceding word in English] or conflict between the ABRI [Indonesian Armed Forces] and the president.

"Existence of a gap between ABRI and the president is impossible because structurally speaking, the president is the commander in chief of ABRI," Hartono said to reporters after attending a ceremony yesterday to install the new commandant of the Army Officer Preparatory School in Bandung. Brigadier General Tengku Rizal Nurdin assumed the post from Brigadier General Rakhmat Mokoginta.

Hartono made the remarks in response to recent reports that there is a conflict between Suharto and the ABRI, even between the president and Golkar [Functional Group]. Hartono said ABRI members have direct and vertical loyalty to their superiors, namely from the lowest-ranking soldier to the highest-ranking officer, in this case the commander in chief.

"I don't think it is possible for there to be a gap between the president and ABRI," said the four-star general. Any ABRI member who does not have loyalty to his supervisors faces a very heavy penalty. "If it occurs in a combat situation, that soldier may face the death penalty," said Hartono.

Asked whether those who spread such conjecture should be held accountable, Hartono said that is unnecessary.

"They are free to entertain such ideas because the fact is that there is never any conflict between the president and ABRI. The issue is only a wild rumor, and has never developed into a real problem," said Hartono, who even asked where the issue originated. He also stressed that the president, in his capacity as comander in chief, is automatically the superior officer to all ABRI and Police Force personnel.

Improved situation

Asked about the draft bill which would reduce the number of ABRI representatives in the House of Representatives, Hartono said he sees no problem because ABRI believes that the situation has improved.

"What is important is that ABRI can still play its role as a stabilizing and catalyst force in the legislature, even though the number of representatives will be reduced from 100 to 75," he said.

He stressed that the decision to reduce ABRI representation in parliament is not final, and is subject to further deliberation. " "During internal discussions, ABRI sees no problem with the move to reduce its parliamentary representation because what is most important is the quality, not quantity, of its representatives," said Hartono.

Rizal Nurdin, a 1971 graduate of Akabri [Armed Forces Academy], previously served as warrant officer for Army personnel career development at Army Headquarters. Mokoginta, a 1965 graduate of AMN [National Military Academy], has been installed as chief of staff of the Bandung-based Siliwangi Third Regional Command.

Born in Bukit Tinggi on 21 February 1948, Rizal Nurdin had military training in the United States at Fort Benning in 1980 and Ranger Airborne training in 1974. The tall and burly officer, who has two daughters from his marriage to Siti Mariam, served as an UNTAC [United Nation Transitional Authority in Cambodia] officer along the Cambodian-Lao border in 1993.

In his speech, Hartono urged the school, as a strategic Army educational institution, to continue to assess its educational program and to work with the ABRI Education and Training Command for a commonality of views and to avoid duplication of effort.

The school was also urged to develop the activities of its cadets so they will become professional soldiers with scientific as well as military backgrounds.

Besides installing the new commandant, Hartono also visited the Cavalry Arsenal Headquarters and the Army Staff and Command College.

Advisory Council Discusses Succession Issue

BK0205110695 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 2 May 95

[FBIS Translated Text] The Supreme Advisory Council chaired by retired Admiral Sudomo held a consultative meeting on succession with General Feisal Tanjung, commander of the Armed Forces of the Republic of Indonesia [ABRI], who was accompanied by other top ABRI officers. The results of the meeting will serve as input for President Suharto. Following the meeting, Sudomo told reporters that people are questioning succession; the elderly are worried about succession while the young want succession.

According to the former commander of the Operational Command for the Restoration of Security and Order, succession should not be questioned because a mechanism governing succession already exists and succession will follow its own course. The People's Consultative Assembly, which has the power to elect the president, will decide who becomes the future president. Whether he or she is a civilian or an ABRI member will not matter.

Nevertheless, the former coordinating minister for politics and security said the future president of the Republic of Indonesia must meet at least three conditions. He or she must have a future vision for Indonesia, must have excellent administrative skills, and must be responsive to various problems.

In addition to the succession issue, they also discussed preparations to draft a bill on demonstrations as a manifestation of Article 28 of the 1945 Constitution.

Importance of Food Security Stressed

BK2904095095 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 28 Apr 95

[Italicized passages in English]

[FBIS Translated Text] The government has emphasized efforts to achieve*food security*through sufficient stocks and an even distribution nationwide of foodstuff with prices within the reach of people. Logistics Board Chief Bedu Amang said this after delivering a lecture to a conference on the enhancement of the results of the deregulation drive, organized by the Indonesian Economists Association and the World Bank in Jakarta yesterday. He said the efforts to achieve food security to which the government is committed are also in line with GATT and designed to anticipate moves by European countries to reduce their food subsidies.

[Begin Amang recording, in progress] ...This is what GATT wants. We are in fact going in that direction. We have a *comparative advantage* over others in several commodities, including rice because they are competitive in the world market. Rice is a strategic commodity not only because it is competitive in the world market but also because it involves many people—producers and consumers. Thus, we must maintain self-sufficiency in this commodity. However, we will also be able to achieve self-sufficiency in corn and sugar. World sugar prices will gradually rise following the conclusion of GATT because European countries will gradually reduce their subsidies. We will be competitive. [end recording]

According to Bedu Amang, government intervention will still be needed in the free market era to maintain the prices of commodities that affect public interest as well as to ensure efficiency.

Suharto Orders Increase in Rice Stocks

BK0105131095 Jakarta ANTARA in Indonesian 0736 GMT 1 May 95

[FBIS Translated Excerpt] Jakarta, 1 May (ANTARA)—President Suharto has instructed Logistics Board Chief Beddu Amang to increase rice stocks from the current 1 million metric tons to about 2 million metric tons in FY 1996.

After meeting the president at the Bina Graha Presidential Office in Jakarta on Monday, Beddu Amang said the president instructed the Logistic Board to coordinate further with the relevant parties, particularly the Department of Agriculture and the Department of Public Works, to achieve the target.

According to Beddu Amang, the efforts seem successful; the current available stock is 300,000 metric tons and rice production will increase by 4 percent in 1996.

Beddu Amang added that the tendency of farmers and traders to hoard rice will disappear. People's stocks will enter the market because of good harvests amid a normal climate.

The Logistics Board chief added that the "carryover" [preceding word in English] will decrease as a result of the last dry season.

If our rice stocks reach 2 million metric tons, the Logistics Board will no longer import rice as it now does.

The Logistics Board chief confirmed that the Logistics Board will continue to launch market operations in an effort to maintain prices. As many as 34,000 metric tons of rice were dropped on the market during such operations in April 1995.

Beddung Amang said market operations are going on in several regions, including Jakarta, to maintain the market prices. [passage omitted]

Commentary Supports Plan To Cut ABRI Seats

BK0105140995 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 1 May 95

[Station commentary]

[FBIS Translated Text] There has been a positive response to the government's plan to table a bill reducing the number of ABRI [Armed Forces of the Republic of Indonesia] members in the House of Representatives [DPR]. Alif Muliana, executive member of the ABRI faction, said the faction was prepared to accept the planned reduction if it is the people's wish. Alif said the ABRI is a part of the DPR to serve the people.

Home Affairs Minister Yogi Suardi Memet, Minister and State Secretary Murdiono, and Armed Forces Commander General Feisal Tanjung held a consultation meeting with House Speaker Wahono to discuss the matter. Basically, they agreed that the number of ABRI members appointed to the DPR should be reduced from 100 to 75. The government is considering whether to allow the political parties to contest the 25 seats vacated by the ABRI.

Minister and State Secretary Murdiono said the reduction in the number of appointed ABRI members in the DPR was connected to the development of democracy in Indonesia. Democracy has developed steadily in the country and becomes more dynamic from time to time. He said they are part of the DPR to safeguard the Pancasila state ideology and the 1945 Constitution. Now, though, the nation's confidence in Pancasila is more firm.

Based on the history of political development in Indonesia, we agree that the move to reduce the number of ABRI members in the DPR indicates an improvement in the development of democracy in the country.

The ABRI has been involved in the country's politics since 1957, and we must admit that its role as a sociopolitical force and in defense and security is very significant in the effort to maintain unity in a country with a complex society and many islands. Long before this, President Suharto said the number of ABRI members in the DPR should suit the existing situation.

Would a reduction in the number of ABRI members in the DPR weaken the fighting spirit of the armed forces to participate jointly in national development? The answer is certainly not. It is common knowledge that the history of the nation's development proves that the ABRI cannot struggle by itself. Likewise, civilian officials cannot solve the problems facing the nation by ignoring the ABRI.

We recognize ABRI's contributions to the national struggle for development.

Editorials on Reduced ABRI Representation

BK0105150095

[FBIS Editorial Report] Two Indonesian dailies carry editorials about the move to reduce the number of seats held by the Armed Forces of the Republic of Indonesia [ABRI] in the House of Representatives.

Jakarta KOMPAS in Indonesian on 28 April carries a 700-word editorial on page 4 entitled: "What Is the Significance of a Reduction of the Number of ABRI Seats in the House of Representatives?"

The daily notes that moves to reduce the number of ABRI seats in the House of Representatives from 100 to 75 have become headlines in the country's newspapers. The daily, however, recalls that the ABRI used to have only 75 seats because the additional 25 seats were allocated to professional organizations. The additional seats were awarded back to the ABRI after the quota for professional organizations was abolished.

The KOMPAS editorial states that the moves to reduce the number of ABRI seats are proceeding smoothly and peacefully without any heated arguments. This is a reflection of the good relations between the government and the ABRI leadership.

The editorial adds: "Why will a reduction in the number of ABRI representatives in the House of Representatives not change the political configuration in every sense of the word? There are 11 commissions in the House of Representatives, including the House Commission on the State Budget and Revenue. Even with 75 representatives, the ABRI can remain active in all commissions and continue to serve the House of Representatives as it is doing now."

The editorial praises the ABRI's strict adherence to the national Constitution and reaffirms its dual functions as a defense and security force and as a sociopolitical force due to its historical background. Former Defense and Security Minister Retired General Abdul Haris Nasution said that the ABRI did not ask for representation in the House of Representatives, but the House of Representatives reserved some seats for the ABRI in return for its nonparticipation in general elections.

In conclusion, the KOMPAS editorial notes that time has changed. "The question is: 'How will the ABRI continue to perform its dual functions in the best interests of the people?'"

Jakarta MERDEKA in Indonesian on 29 April carries a 700-word editorial on page 6 entitled: "The Number of the ABRI Parliamentary Seats Is Not a Problem."

The editorial says: "The public's warm welcome to the proposal to reduce the number of ABRI seats in the House of Representatives from 100 to 75 indicates the people's attention given to the ABRI. Besides, the government's proposal to reduce the number of ABRI seats in the House of Representatives should, therefore, be considered a progressive step toward widening democracy further in Indonesia and as a sign of its stable development. The presence of the ABRI representatives in the House of Representatives, without being elected, was first based on a consensus."

The editorial notes that the ABRI, which has dual functions, is playing an important and active role within the social and political arena and also in steering the country. It also states that the ABRI's role needs to be realigned in accordance with the changing era.

In conclusion, the editorial says: "As a nation that is forward-looking, we must settle the matter in a spirit of togetherness because the ABRI was born from the people. The military should accommodate the people's interests. Therefore, the question of the number of seats for the ABRI in the House of Representatives is not a critical matter. The more important question is how rapidly can Indonesia adapt itself to the globalization era—not the question of ABRI seats."

Philippines

Siazon Assumes Post as Foreign Secretary

BK0205021795 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 1 May 95

[FBIS Translated Text] Domingo Siazon has assumed his post as the new foreign secretary. He replaces Roberto Romulo, who was caught up in the Flor Contemplacion [maid executed in Singapore] case controversy. He is currently considering whether to send more foreign affairs personnel to other countries or to settle the row between the Philippines and Singapore.

Foreign Investment Doubles in 1994

BK0105050195 Manila THE MANILA CHRONICLE in English 27 Apr 95 p 9

[Report by Donnabelle Gatdula]

[FBIS Transcribed Text] The Philippines' inward foreign investments as of end-December 1994 has doubled to $4.11 billion from only $2.00 billion in the same period last year.

Bangko Sentral ng Pilipinas (BSP) [Central Bank of the Philippines] records showed that the doubling of the BSP registered inward foreign investments was brought about by the bullish trend of the Philippine stock market during the period wherein portfolio investments increased by 113 percent to $3.2 billion.

The bulk of the portfolio investments was contributed by the United Kingdom with $923 million which accounted for 28 percent of the total value of inward portfolio investments.

The second largest investor was Hong Kong with $818 million while the United States slid from being the previous year's top source to only third with $641 million.

BSP data also indicated that the financial institution sector was the biggest recipient of portfolio fund last year.

Data further indicated that some $562 million worth of initial public offerings (IPOs) shares were subscribed to by foreign investors.

The BSP said private corporations were also able to tap the international capital markets through the use of innovative financial instruments.

According to BSP, global depository receipts (GDRs) attracted $180 million while convertible and preferred bonds issued by local companies raised $212 million.

The total value of IPO shares held by foreign investors registered with and reported to the BSP in 1994, including GDRs and preferred and convertible bonds amounted to $955 million, more than six times the $134 million total value registered in the comparative period in 1993.

Direct equity investments likewise grew by 73 percent to $882 million in 1994 from only P509 million the previous year.

The top country sources included the Netherlands ($547.77 million), the United States ($75.98 million), Japan ($69.79 million), Singapore ($60.22 million) and Hong Kong ($48.73 million).

Major industry recipients of these direct investments were manufacturing ($61.37 million), services ($66.74 million), public utility ($50.89 million) and mining ($40.24 million).

On the other hand, foreign exchange outflow from capital repatriation/remittance of profits or dividends from foreign investments amounted to $1.9 billion representing a 170 percent increase from last year's figure.

First Quarter Surplus of P3.2 Billion Posted

BK0105031695 Manila THE MANILA CHRONICLE in English 27 Apr 95 p 9

[Report by Donnabelle Gatdula]

[FBIS Transcribed Text] The national government posted a cash budget surplus of P [Philippine pesos] 3.2 billion in the first quarter of the year, document obtained from the Department of Finance (DOF) showed.

This performance compares creditably with the P2.84 billion deficit projected for the period reflecting an unexpected turnabout.

Based on the data, the surplus came from a combination of higher-than-expected revenues which reached P90.03 billion for the first three months of the year compared with P82.1 billion programmed for said quarter or an increase of 7.93 percent.

A surplus was also realized, though the government's expenditures overshot its programmed expenditure level by 1.9 percent, with P86.04 billion from the targeted P84.94 billion for this particular period.

However, most of the increase in revenues came, in particular from the privatization program which generated over P19.9 billion. The government gained P941 million from the asset privatization trust; P495 million from the Presidential Commission on Good Government; and P18.5 billion from Bases Conversion Development Authority, particularly the sale of the Fort Bonifacio property.

The data also shows that the Bureau of Internal Revenues (BIR) and the Bureau of Treasury (BTr) failed to meet targets.

The BIR revenue collections was short by 6.42 percent from actual figure of P42.16 billion against the P48.57 billion programme level.

The BTr colleconssted a shortfall of 4.31 percent from the programmed P7.38 billion to only P3.07 billion during the period under review.

However, the Bureau of Custom (BOC) revenue collections slightly increased to P20.65 billion from the programmed P19.93 billion.

The government expects a budget surplus of P15.55 billion for this year. The recent sale of the 214 hectare-Fort Bonifacio area for commercial development already raised a one-time revenue of P20 billion. This is expected to make this year's target easier to achieve.

Last year, the government posted a surplus of P18 billion primarily because

Navy Acquires 2 New U.S. Fast Patrol Boats

BK0105012995 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 30 Apr 95

[FBIS Translated Text] Two new, fast patrol craft or FPC's are now with the Philippine Navy. These sea vessels were bought by the Philippines from the United States. They will be used to patrol the country's territories to fight illegal fishermen and foreigners entering the territorial waters of the Philippines. The turnover ceremony was witnessed by Defense Secretary Renato De Villa in Batangas last Saturday [29 April].

MNLF Spokesman Denies Threat To 'Go to War'

BK0205080795 Manila MANILA BULLETIN in English 28 Apr 95 p E-8

[Report by Vic Arevalo]

[FBIS Transcribed Text] Zamboanga City—A top leader of the Moro National Liberation Front (MNLF) denied the other day news reports that the MNLF will go to war if the government will not grant Muslim autonomy in Mindanao as provided for in the 1986 Tripoli Agreement.

MNLF Secretary General and spokesman Muslimin Semah made the denial at a press conference, stressing that "the MNLF fully supports the ongoing peace negotiation as the only way to end the Muslim rebellion in Mindanao."

"We ourselves are surprised by the press reports," Semah said.

The report quoted Alhabsi Hassan, MNLF representative to the joint cease-fire committee, which held an emergency meeting at the Garden Orchid Hotel last Tuesday.

Semah emphasized that "the MNLF is steadfast in pursuing the peace process because peace is our final goal even before we launch our armed struggle."

According to the MNLF secretary general, Alhabsi Hassan denied the statement attributed to him.

Semah said he is optimistic that the peace talks between representatives of the government and the MNLF will yield positive results.

He described as "unfair, irresponsible, and scandalous" the statement issued by Chief Superintendent Panfilo Lacson of the Presidential Anti-Crime Commission (PACC) that the Abu Sayyaf is an armed faction of the MNLF.

Semah denied any MNLF participation in the April 4 attack on Ipil, Zamboanga del Sur, but added the MNLF will look into claim of the military that some of the MNLF commanders participated in the pillage and attack of Ipil.

General Downplays Alleged MNLF War Threat

BK0205064895 Manila THE MANILA CHRONICLE in English 28 Apr 95 p 3

[Report by Bella de Mesa]

[FBIS Transcribed Text] Baguio City—Armed Forces Chief of Staff General Arturo Enrile downplayed reports that the Moro National Liberation Front (MNLF) is set to declare war on the government if it was not given control of some municipalities and cities in Mindanao.

Enrile said MNLF Chairman Nur Misuari has not said anything about declaring war against the government.

"It's only Hassan (vice chairman of the MNLF Cease-fire Committee) who said that. Misuari himself has not declared anything," Enrile said.

Enrile was reacting to reports that MNLF would renew fighting against the government if it did not declare 13 towns and nine cities in Mindanao under Moro rule.

The chief of staff also added that both peace panels have not yet decided what are the municipalities and cities to be declared as "Moro control."

"They are allowed to identify certain areas but it should be decided by both parties," he said confirming that the Joint Cease-fire Committee are now working together to identify these areas.

Abu Sayyaf Members Said Arrested in Ipil Attack

BK2904092795 Manila MANILA STANDARD in English 25 Apr 95 p 5

[Report by Roberto Burgos]

[FBIS Transcribed Text] Police yesterday reported the arrest of nine members of the Muslim extremist Abu Sayyaf group who allegedly participated in the Ipil, Zamboanga del Sur carnage on April 4 that resulted in the killing of 53 persons.

The suspects, who were captured on Saturday by police and military operatives in Davao del Norte, were identified as Lading Saji, Numar Sijaji, Jabir Kiram, Jhonny Saji, Joel Saji, Erbabir Siajadi, Bajical Nadji, Jeffrey Saji, and Jimmy Saji.

Reports from the PNP [Philippine National Police] Regional Command 11 said the nine were arrested by elements of the 3d Company of the 11th Regional Mobile Force under Senior Inspector Leonardo Felonia during pursuit operations in Barangay [Village] San Jose, Penaplata, Davao del Norte, 4:30 a.m. Saturday.

The suspects are now being investigated at the 11th Regional Intelligence Group headquarters in Camp Catitipan, Davao del Norte.

The suspects, according to reports, were believed to be among some 200 heavily-armed men who attacked the coastal town of Ipil.

The attackers also burned several commercial and government establishments before robbing four banks in the area. An estimated P [Philippine pesos] 500 million worth of properties were destroyed as a result of the rampage.

Troops are still pursuing the attackers who broke up into several groups after their assault. Reports said at least 33 Abu Sayyaf bandits have been killed as a result of the massive government operations.

Thailand

Revoking of GSP Incentives Set for Jul

BK0205060695 Bangkok Radio Thailand Network in English 0000 GMT 2 May 95

[FBIS Transcribed Text] Tax concession under the United States' Generalized System of Preferences (GSP) will be revoked for three Thai export items from July this year.

According to the Department of Foreign Trade, the three Thai export items include aluminum kitchen utensils, facsimile machines, and photocopiers. They will be striped of GSP incentives because imports into the U.S. have already exceeded the set ceiling under the Competitive Need Limits, or CNL.

The department says another 11 Thai export times are also supposed to be taken off the GSP list as their imports into the United States have exceeded the 50 percent market share or the set ceiling under the CNL. However, they will be given a reprieve since the import volume of each of these items to the U.S. is still lower than a minimum value set earlier by the U.S. Government.

Among these 11 Thai export items are preserved guava, mango, mangosteen, papaya, tamarind, tuna, processed lychee and longan, and pineapple jam.

Official Blasts Japan for Skipping ASEAN Meet

BK2904092595 Bangkok THE NATION in English 29 Apr 95 p B1

[FBIS Transcribed Text] Phuket—Deputy Prime Minister Suphachai Phanitchaphak yesterday unleashed a furious verbal attack on Japan for appeasing the US by declining to hold a dialogue with economic ministers of the Association of Southeast Asian Nations (Asean).

Japan's failure to attend the post Asean conference in Phuket derailed the tradition of meetings between the group and regional partners, including China and South Korea.

"Japan should have accepted the Asean offer and independently attended the informal meeting," Suphachai said.

It was obvious that Japan declined the invitation to Phuket out of fear that it would be trapped in a "ploy" to create the East Asian Economic Caucus (EAEC), a Malaysia-initiated economic bloc.

Suphachai stressed that he has said many times in the past: "Asean six plus three is not meant to be an EAEC meeting. But we would like to establish closer cooperation between Asean and the dialogue partners."

Vision of Tariff-Free ASEAN Market Outlined

BK0205061195 Bangkok BUSINESS DAY in English 2 May 95 p 1

[Report by Roy H. Reynolds: "Big Gains Seen in Diversifying Region"]

[FBIS Transcribed Text] As tariffs are reduced throughout ASEAN, companies will be able to manufacture products regionally and trade volumes will be boosted, Rizalino Navarro, Trade Secretary for the Philippines, said.

"Automobile and computer companies should adopt a component manufacturing structure. ASEAN countries should adopt an Asia strategy to source components," he said.

"Foreign investors should look at comparative advantage," he said, arguing that companies should transfer production to the most cost-efficient member of the ASEAN group.

The companies would achieve efficiencies of scale by producing for all the consumers in the ASEAN market, he said. Mr. Navarro suggested that car manufacturers would benefit from sourcing their components across the ASEAN region.

The Philippines produced wiring harnesses efficiently, Thailand had a strong diesel engine industry and Indonesia had a comparative advantage in metal foundries, he said.

Car manufacturers could procure the components from each of these countries and assemble them into complete automobiles, he said.

Mr. Navarro cited the Proton automobile as an example of this trend.

The car was manufactured in Malaysia, but components were produced in other ASEAN countries, he said.

To succeed further, Mr. Navarro said that the firm would have to concentrate on marketing the vehicles across the region. "The Proton must enlarge its market. It cannot survive by selling cars only in Malaysia," he said.

Mr. Navarro stated that the industries of each country that are most efficient would benefit most from the ASEAN common market.

"The benefits of AFTA (the ASEAN Free Trade Area) are very plain. When we achieve the 0 to 5 percent tariff rate level (by 2003), trade will be enlarged," he said.

He identified Thailand's agriculture as a sector in which the country had a comparative advantage, although the elimination of tariffs on significant numbers of agricultural items was delayed at the Phuket informal meeting of ASEAN economic ministers.

A list of sensitive agricultural items was prepared on which further negotiations will be required. A list of temporary exclusions was also negotiated.

Rice, tobacco and timber were some of the products that Malaysia negotiated to protect, Asmat Kamaludin, Secretary-General of the Malaysian International Trade Ministry, said.

Mr. Kamaludin emphasized that Malaysia, as well as other countries, has many subsistence rice farmers.

He said that his country could not afford to let these rice farmers be bankrupted by foreign competition: "We need sufficient transition time. We cannot treat these people like manufactured products," he said.

"We cannot put them (rice farmers) into the same tariff reduction time-framework. That framework was for manufactured products,' Mr. Kamlaudin said.

ESCAP To Focus on Developing Human Resources

BK0205060395 Bangkok BANGKOK POST in English 2 May 95 p 6

[FBIS Transcribed Text] The governments of the Asia-Pacific region yesterday ended their week-long annual meeting of the Economic and Social Commission for Asia and the Pacific (ESCAP) with the endorsement of an action programme for strengthening regional cooperation in human resources development.

"Human resource development is fundamental to the region's efforts to sustain its economic growth, while sustaining our people's social security," the 51st session chairman Bernard Narokobi said in his closing statement.

In one of the 12 resolutions contained in a report adopted by ministers and other senior officials from 49 countries expressed support for the 20 proposals made by the Panel of Eminent Persons during its meeting here in November last year.

"Certain countries in the region have had considerable success in the development of their human resources. There is much to gain from the sharing of experience, exchange of expertise and other forms of cooperation among the countries and sub-regions," said the resolution.

The resolution calls on ESCAP to conduct a feasibility study on a regional network to promote technology transfers and the exchanging of information and experts.

Apart from the theme topic on strengthening regional cooperation in human resources development, other issues discussed included regional economic cooperation, environment and sustainable development, poverty alleviation, transport and communications, and the special needs of the region's least developed and land-locked and island developing countries.

Twenty-three member countries of ESCAP on Friday pledged a total of US$13.77 million for its 1995 work programme, regional institutions and special regional projects.

The figure would slightly exceed 1994's contributions of US$14.3 million if including the assistance from Germany.

For those economies, assistance should be concentrated in areas including foreign direct investment, technology transfer, private sector development and industrial and technological skill development.

ESCAP's Executive Secretary Adrianus Mooy cited the method of tripartite arrangement which would link North-South cooperation with South-South. Cooperation allowing countries at different levels of development to engage in the sharing of experience and knowhow.

Thailand on several occasions had expressed its readiness to be a centre for financial and technical assistance to Indochinese countries.

Government Urged To Revise Burma Policy

BK0105134695

[FBIS Editorial Report] Two Bangkok dailies carry editorials on 1 May commenting on the Thai Government's indifferent attitude regarding the frequent encroachments onto Thai territory by armed groups from Burma.

Bangkok KRUNGTHEP THURAKIT in Thai carries a 350-word editorial on page 2, entitled: "Time To Manifest Our 'Stance'." It cites the border intrusion incident on 28 April when some 150 members of the Democratic Karen Buddhist Army [DKBA] crossed the border into Thailand to burn down a Karen refugee camp in Tha Song Yang District, Tak Province.

The editorial notes: "Although the heinous operation was aimed at the Christian Karens of the Karen National Union [KNU] under the leadership of General Bo Mya, the incident took place inside Thai territory and was considered an act of blatant challenge against state power. The Buddhist Karens dared to cross the border into Thailand as if they knew for sure that their offensive could be carried out without any interception."

The editorial expresses fear that border incidents of a similar nature could develop into a grave conflict between Thailand and Burma, saying: "Reports from different sources confirmed that the Buddhist Karens under the leadership of a revered Buddhist monk named U Thuzana have been openly receiving military support from the Burmese Government or Slorc [State Law and Order Restoration Council]. With Slorc weapons, food, and medical supplies, the Buddhist Karen force could easily capture KNU strongholds. Without support from the Burmese Government, the DKBA would never dare intrude onto Thai territory.

"All agencies concerned should hold consultative meetings to map out retaliatory strategies against these acts of terrorism by the Buddhist Karens since they still intend to force some 70,000 Karen refugees who are now taking refuge in Thailand to return to Burma. At the same time, the Thai Government must spell out its "stance" on this matter."

Bangkok THAI RAT in Thai carries a 350-word editorial, on page 3, entitled: "It's Time to Be 'Harsh' With Burma." It says that "since Burmese Government troops launched massive suppression operations against minority groups and since the fall of the two KNU major strongholds in December last year and February, several border encroachments have taken place and were followed by protest notes from the Thai Government. The Burmese military regime, however, always claimed that it had nothing to do with those incidents."

The editorial continues: "Thai military leaders reaffirmed that Thai-Burmese relations are still in good condition. However, in reality, ties between the two countries have been snobbish for quite a few months due to the frequent violations of Thai territory and the Burmese junta's apathetic response to protest notes from the Thai Government.

"The estrangement in Thai-Burmese relations has proved that the 'constructive engagement policy' which Thailand has been persuading other countries to apply to Burma to promote trade and investment cooperation with that country does not seem to work as it should. Burma is still aggressive.

"Is it time for the Thai Government to review its policy toward the Burmese military regime? Moving the Karen refugee camps away from the border can help prevent further border intrusions. But the Thai Government must adopt a more rigorous attitude and duly retaliate against any act of border intrusion as it is doing in the areas along the border with Cambodia."

'Repeated' Incursions by Karen Forces Viewed

BK0205061395 Bangkok THE NATION in English 2 May 95 p A2

[Unattributed article under the rubric "From the News Desk": "Army Can't Afford Another Slap in Face From DKBA"]

[FBIS Transcribed Text] In blatant defiance of Thai warnings, renegade Buddhist Karen forces who have launched repeated raids on Karen refugee camps in Tak and Mae Hong Son provinces have threatened more incursions unless Thailand forces more than 70,000 refugees back into Burma.

The threat is another slap in the face for the Thai Army, which has been harshly criticized for failing to prevent previous incursions by the Democratic Karen Buddhist Army (DKBA).

The DKBA threat came as the Army began reinforcing a 250-km stretch of the Thai-Burmese border with soldiers, paratroopers, border patrol police and heavy equipment, including helicopter gunships, jeeps with mounted machine guns and recoilless rifles.

The DKBA's hit-and-run operations have been the largest embarrassment for the Thai Army in years. The latest threat cannot be ignored because similar DKBA warnings have already proved to be serious.

This time the Thai Army cannot afford to let the DKBA venture even one inch into its territory, so much is at stake this time—the country's dignity and the fragile honour of the Army itself.

Criticism and suspicion have eroded public confidence in the Army. First the reports of incursions were denied in official Army press releases. When the reports later proved true, no decisive action was taken by the Army and raids on the refugee camps continued.

Is it sheer ignorance or extremely poor intelligence? Or is it because of "friendly ties" with Rangoon, which allegedly helped form the DKBA in order to spawn violent ethnic conflicts?

Whatever it is, it is hurting the Army badly, and the only way to recover is to ensure that the aggressors are kept at bay at all costs.

Over the past two weeks, the government has sounded tough, while Army Commander-in-Chief Wimon Wongwanit ironically turned diplomatic. The Army could hit back with artillery and mortars, he said, but what if the shells injure innocent people on the Burmese side?

Wimon changed his tone somewhat over the weekend. "Let them do it again and they'll know what they're in for," he said. That was before the DKBA displayed its latest defiance on Sunday, telling reporters raids on the camps will continue until all refugees return to Burma.

The Burmese and DKBA war with the Karen National Union [KNU] has flooded Thailand with tens of thousands of refugees. The DKBA's lame reasoning for wanting the refugees back in Burma is so it cannot be blamed for robberies or violence committed on the Thai soil.

Sources say the Thai Army is being made to taste its own bitter medicine. The Burmese government formerly accused the Thai military of giving the KNU safe sanctuary in Thai territory, from which hit-and-run forays against Rangoon forces have been launched.

Thailand has denied such allegations and Rangoon is doing the same regarding charges that it backs the DKBA.

But Rangoon's denial may give the Thai Army good opportunity to eliminate the DKBA for repeated violations of Thai sovereignty. "Hot pursuit" operations should be one option if the hit-and-run tactics continue.

Wimon has floated the idea of moving the refugees deeper into Thailand, but the Foreign Ministry has insisted the priority now should be to ensure there will be no further insults to the country's sovereignty.

Chatchai Slams Army

BK0205044995 Bangkok BANGKOK POST in English 2 May 95 p 2

[FBIS Transcribed Text] Former Prime Minister Chatchai Chunhawan yesterday took the army to task for its failure to provide adequate intelligence on the security situation along the Thai- Burmese border, noting that the intrusions of the Democratic Karen Buddhist Army (DKBA) had caught the military off guard.

Gen. [General] Chatchai said what concerned him most was not the political issue, but rather the border situation in Tak and Mae Hong Son provinces where foreign armed forces had encroached onto Thai territory.

The former prime minister said the incidents indicated that intelligence gathering along the border was not up to standard.

"We don't even know when enemies are going to make intrusions. It has occurred twice now," said the former army cavalry officer.

Gen. Chatchai said he could not understand how such an incident could happen as it was widely known that there was fighting between armed minority groups in Burma and government forces.

"Why didn't we get ready for it as it could have been predicted beforehand as to what could happen?" asked Gen. Chatchai the Chat Phatthana Party leader.

He said the country had spent a lot of money on intelligence gathering for the military. He asked: "Why don't we know when foreign forces are going to invade our country?"

Meanwhile, the New Mon State Party [NMSP] are awaiting an answer from the Burmese regime on whether it will hold peace talks with the rebels.

An executive member of the NMSP, who declined to be named, said the party made the proposal to Burma's ruling State Law and Order Restoration Council [SLORC] late last month but a reply was still awaited.

The party's delegates were sent to meet the SLORC three times last year, the last time being July, to seek peace talks. But no agreement was reached.

The party was unsure about its next step if the SLORC refused to hold talks, he said.

Surin on Refugee Protection

BK0205143995 Bangkok Radio Thailand Network in Thai 1200 GMT 2 May 95

[FBIS Translated Text] The Foreign Ministry, Interior Ministry, Army, and National Security Council will decide how to oversee the Karen ethnic people along the Thai-Burmese border. Deputy Foreign Minister Surin Phitsuwan says that Thailand will apply its past experience in administering the Cambodian refugees for use in the administration of Karen refugees, and that stress will be placed on security protection and preventing violations of sovereignty:

[Begin recording] [Surin] Because they are still unable to look after their own people, it is our duty to protect those people within our borders. Regarding this matter, the military has indicated that a restricted patrol area must be designated.

[Unidentified reporter] Has any area been designated for this purpose? The commander of the 3d Army Region hinted that the restricted area is a forest reserve [words indistinct].

[Surin] The military and the Interior Ministry have taken up this point for study. I think there will be a conclusion soon. [end recording]

Refugees Move to Safer Camp

BK0205045595 Bangkok BANGKOK POST in English 2 May 95 p 2

[FBIS Transcribed Text] Karen refugees from at least three camps in this district have started to leave their shelters for the safety of the Ban Huai Kalok camp which is further away from the Moei River and closer to the town of Mae Sot, causing it to become overcrowded.

Mae Sot authorities at the checkpoint to the Ban Huai Kalok camp said at least 100 refugees from the Huai Ma Not, Ta Mo Ko and So Ko camps had been seeking shelter there every day since the Democratic Karen Buddhist Army (DKBA) started to storm their camps during the past week.

The Huai Ma Not and Ta Mo Ko camps were reportedly burned down by the DKBA.

An official said those seeking shelter must first be examined and then guaranteed by people living in the camp before permission would be given for them to take refuge in the Ban Huai Kalok camp.

Thai authorities yesterday exchanged gun fire with three Karen refugees armed with M16 rifles who were about to set fire to Ban Rai-oi, adjacent to Ban Tha Song Yang.

Meanwhile, Mae Sot police yesterday arrested 70 Burmese who were crossing the Moei River into Mae Sot and later sent them back to Burma.

Means to Solve Karen Problem Discussed

BK0205044495 Bangkok BANGKOK POST in English 2 May 95 pp 1,6

[FBIS Transcribed Text] The Foreign Ministry has no objection to Army chief Gen. [General] Wimon Wongwanit's proposal to relocate Karen refugees at a large camp deep inside Thailand, Army spokesman Col. [Colonel] Phalangkun Klahan said yesterday.

His comments came as Thai helicopter gunships deterred renegade Karen fighters from crossing into Thailand despite the rebels' vow to continue raiding refugee camps until all 70,000 Karen refugees return to Burma.

Thai military sources in Mae Hong Son Province, who requested anonymity, said their officers saw about 120 troops of the Democratic Karen Buddhist Army [DKBA] perched on the opposite bank of the Salween River yesterday morning.

"They stayed on the other side, probably because they saw our helicopters flying nearby," a Thai army officer said, quoted by Associated Press.

The officer declined to say how many helicopters the Army has along the border.

The Army and the Border Patrol Police began reinforcing their units along the border this weekend, sending additional troops, helicopter gunships and armoured vehicles.

Col. Direk Yaem-ngamriap, commander of the Third Army's Task Force 34 supervising security along the Thai-Burma border, was yesterday removed to an inactive post an Army source said.

Col. Satcha Yotphet, deputy commander of the Third Army's 4th Regiment, was named the new task force commander.

Gen. Wimon issued an order to replace Col. Direk with Col. Satcha because Col. Direk failed to inform the Third Army of the possibility of incursions by DKBA forces before they took place, the source said.

Foreign Minister Krasae Chanawong earlier met Gen. Wimon to discuss different understandings of Gen. Wimon's proposal for the centre.

The spokesman said the Army chief insisted his proposal was a correct way to solve the problem of Karen refugees along the border with Burma. But the Interior Ministry and Third Army Region must decide which area is suitable for this purpose.

Dr. Krasae did not object to Gen. Wimon's proposal and understood the camp would not be a permanent holding centre, according to the spokesman.

The spokesman said the camp should not be called a Karen refugee centre but should instead be referred to as "a safe area for illegal immigrants" .

Dr. Krasae said there was a possibility of relocating the Karens deeper inside Thailand, but the issue rested with the premier.

Dr. Krasae will today inspect construction of the Thai-Burmese Friendship Bridge in Mae Sot District of Tak and visit Huai Manok and Kamao Leko villages in Tha Song Yang District where a series of border incursions by the Rangoon-backed DKBA took place in the past week.

"It is good if human rights and national security can go together. If not, as Foreign Minister, I would give priority to national security and the interests and safety of people," he said.

Dr. Krasae yesterday summoned Burmese Ambassador U Tin Winn for talks about military incursions into Thailand and further cooperation.

He expressed concern over the incidents and asked the ambassador to convey the message to Burma's ruling State Law and Order Restoration Council, he said.

U Tin Winn was quoted as saying that Burma gave importance to the border development plan to ensure refugees' safety when they returned home.

Deputy Foreign Minister Surin Phitsuwan said that in considering whether to set up a new holding centre or remove the refugee camps from the border some points needed to be examined.

"The point is how to stop the violations of sovereignty. All parties, the Foreign, Interior and Defence ministries and the National Security Council [NSC] are trying their best to tackle the problem as the world is paying attention to it," he said.

The time had not arrived to send refugees back to Burma and Thailand had not decided yet to allow other international agencies to monitor the situation, he said.

But Thailand wanted an assurance that incursions would not be repeated.

Tak MP Udon Tantisunthon claims a new holding centre is not necessary as the situation on the border has returned to normal.

Mr. Udon earlier inspected the border area in Tak Province where incursions by the Democratic Karen Buddhist Army have occurred in recent weeks in an effort to force refugees to return home.

He also inspected construction of a Thai-Burmese bridge across the Moei River.

"The situation at the border has returned to normal after Thai military forces and Border Patrol Police were reinforced. Therefore, I don't think the proposed new holding centre is needed," he said

Gen. Wimon said last week if it was not possible to push home all the Karen refugees it would be better to relocate them at one large camp in Thailand. This would make it easier for Thailand to protect the Karens.

His idea was backed by Interior Minister Sanan Khachonprasat.

Mr. Udon said he had doubts about various non-governmental organisations [NGO] opposing the return home of Karen refugees taking shelter in Thailand.

"The refugees have not done anything beneficial for Thailand but have made trouble by plundering Thai villages.

"Still, the NGOs do not want them to go home. They do not seem to understand Asian people and this has caused problems for us," he said.

Police Chief Gen. Phot Bunyachinda said Thailand must retaliate decisively and promptly against future incursions by foreign troops.

One company of the Naresuan Police Paratroopers, Third Region Border Patrol Police and Police Special Operation Forces had been reinforced in border areas to control the situation, he said.

Prime Minister Chuan Likphai brushed aside reported conflicts of opinion over the proposed relocation of Karen refugees, saying authorities familiar with the problem would be able to find a solution.

He had not called a meeting over last week's attacks on Karen refugee camps in Mae Hong Son and Tak provinces because authorities responsible for the areas had been able to handle the situation, he said.

But Mr. Chuan said he had talked about the incidents with NSC chief Gen. Charan Kunlawanit, Mr. Surin, Gen. Wimon and Deputy Defence Minister Rot Wiphatphumprathet.

Vietnam

Le Duc Anh Departs for Visit to Kuwait, Syria

BK0105123795 Hanoi Voice of Vietnam in English 1000 GMT 1 May 95

[FBIS Transcribed Text] Vietnamese President Le Duc Anh and his wife left Hanoi on Monday for an official visit to Kuwait and Syria. Mr. Le Duc Anh was accompanied by Foreign Minister Nguyen Manh Cam and many leaders and senior officials of Vietnam.

Arrives in Kuwait

BK0105125095 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 1 May 95

[Report by Truong Cong Hoa]

[FBIS Translated Text] Dear friends: SRV State President Le Duc Anh and his wife arrived in Kuwait's capital city at 1330 local time, or 1730 Hanoi time, at the start of an official visit to the State of Kuwait at the invitation of Amir Jabir al-Ahmad al-Sabah. A solemn ceremony was organized by the State of Kuwait to welcome President Le Duc Anh and his wife.

Kuwait Airport and many city streets leading to the Royal Palace were richly decorated with Vietnamese and Kuwaiti flags flapping in the wind. The amir of Kuwait went to the ramp to welcome President Le Duc Anh, the first Vietnamese state president to visit Kuwait. On hand to welcome President Le Duc Anh and his wife were Prime Minister Crown Prince Sa'd al-'Abdallah al-Sabah, their excellencies the speakers of both houses, the first deputy prime minister and concurrently minister of foreign affairs, and many high-ranking Kuwaiti officials. Two Kuwaiti girls presented fresh bouquets to President Le Duc Anh and the amir of Kuwait.

Following the flag raising ceremony, President Le Duc Anh reviewed a Kuwaiti Army honor guard. The amir of Kuwait then invited President Le Duc Anh into the airport VIP lounge for a traditional coffee drinking ceremony. This is part of the Kuwaiti people's way of welcoming distinguished guests.

After the welcoming ceremony, the amir of Kuwait invited President Le Duc Anh to take a limousine to the Royal Guest House to rest.

Senior Commanders Discuss Training Priorities

Corps Commander Interviewed

952E0071A Hanoi QUAN DOI NHAN DAN in Vietnamese 1 Mar 95 p 2

[Interview with Major General Nguyen Van Rinh, commander of the Huong Giang Corps, by Ho Anh Thang, date and place not given]

[FBIS Translated Excerpt] [Passage omitted] [Thang] Today, the Huong Giang Corps is still one of our army's mobile main force corps [quan doan]. What steps are being taken to incorporate the combat experiences in training and building the unit?

[Rinh] A heroic historical stage of the country has come to an end. The history of the Huong Giang Corps has turned a page, too. For our cadres and soldiers, this turning of the page means inheriting things from the past in order to be able to face the new challenges. Defending the fatherland in the new stage is a problem to which every cadre and soldier in our corps must find a solution. Our training must enable us to use what we have to fight the enemy, who has weapons that are stronger and more modern than ours.

When talking about the things we have, the first thing that must be mentioned is our combat experience. Those lessons were paid for in blood. In order to make use of those experiences in training, we have launched a campaign to write about the battles of Corps 2 [Quan Doan 2] from 1945 to 1975 during the war of liberation. To date, the corps [binh doan] has composed three volumes that discuss dozens of battles of a special, traditional nature. Many of the battles have been applied and modified on the practice grounds in line with the new combat targets in the new situation. Commanders at all levels and, in particular, those cadres who are directly involved in formulating the lesson plans and carrying out the training must incorporate the combat situations in the lessons in a proper, lively, and effective manner. On the practice fields, it can be said that we constantly train our troops based on what actually "exists" and on what "doesn't." What exists are the things that we have, our real strengths. The "things that don't exist" refers to our combat targets. These are things that are not directly in front of us. They are formless, and so we must make assumptions. But we must "make correct assumptions" if we are to train properly. Twenty years ago, we confronted a superpower and his tanks with "bows and arrows." Today, we have structured our training so that in the future, in an electronic war like the "Gulf War," our "bow and arrow" units can be incorporated in an assault army. To carry out this on the practice grounds today, we have made full use of the experiences of our forefathers. That is, our training is aimed at forcing the enemy to fight according to our methods of attack.

In order to incorporate the combat experiences in training in a more effective way with the motto being "basic, practical, and firm," we have instructed the units to adhere firmly to three requirements in training:

First, the troops must be familiarized with close-attack forms. This requires teaching the troops to be brave, flexible, and resolute. Making close attacks is one of our combat arts. It is manifested by sticking close to the enemy to attack him and finding his weak spots in order to attack him. "A grasshopper can defeat an elephant" thanks to the close-attack factor.

Second, we must cling to the people to train. This requirement manifests the essence of our warfare, people's warfare. Our troops must rely on the people to fight. The units in the corps have taken the troops among the people to train using public forms. Through this, they have carried on mass agitation activities.

Third, steps have been taken to improve the integrated mobility of the troops. This means properly coordinating the various combat forms. But this clearly manifests the role and position of a mobile main-force unit. In order to fulfill this requirement well, the primary-level units must increase the number of alerts and conduct operations in all types of conditions and all types of weather. The main point is the combat maneuvers of the units at the conclusion of the training stage and at the end of the training year.

Air Force Commander Interviewed

952E0071B Hanoi QUAN DOI NHAN DAN THU BAY in Vietnamese 4 Mar 95 p 6

[Interview with Air Force Commander Lieutenant General Pham Thanh Ngan, member of the CPV Central Committee, by Trieu Phuong Que; date and place not given]

[FBIS Translated Excerpt] [Passage omitted] [QUE] Are there any special characteristics about the training of our pilots?

[Ngan] Training is an on-going problem, but that does not mean it is out-of-date. As our forefathers said, you must train constantly. For the air force, flight training is very expensive. To operate a single aircraft, the entire regiment must go into position. Thus, the air force regards this as the central task. It can be said that 80 percent of the time and energy of our commanders is spent on this. For those who want to fly, besides being in good health, they must be brave, have strong will power and determination, and have strong political capabilities. Because of this, we must concentrate above all on this, particularly on providing political and ideological education. Second, we must provide psychological training so that pilots have confidence in their control capabilities and can react quickly and correctly in any situation. Third, they must have theoretical standards and an understanding of aviation science and technology. The training must focus on the targets. That is, the pilots must be highly skilled and in firm control. They must be capable of making skilled use of the aircraft in accord with the requirements in each situation.

[Que] Are there two training periods each year?

[Ngan] No. Pilots cannot be allowed to stretch intervals between flights. If pilots do not fly constantly, they will not have combat capabilities. Even in training, that would reduce the level of safety. Thus, flight training is carried on year-round.

[Que] In my view, training a combat pilot is similar to training an acrobat. Is that right?

[Ngan] You could say that. But you must understand that the tasks carried out by pilots are much more dangerous. A pilot sits inside a steel shell weighing several tens of tons with a modern engine and equipment. He carries many tons of bombs and rockets and operates over a broad area.

[Que] Flight safety is a vital problem of aviators, isn't that correct?

[Ngan] That's correct. That is a vital problem, and every effort is made to maintain safety. A lack of safety is regarded as a defeat. Without safety, we cannot talk about building and developing. Safety depends on many factors. Various measures must be carried out in a synchronized manner: from political and ideological activities to training activities, from maintenance to support, and from those on the ground to those in the air.

[Que] It is my understanding that it is very difficult and expensive to train a combat pilot. Where have our pilots been trained?

[Ngan] With a spirit of self-reliance, ever since the air force was established, we have, on one hand, sent people to fraternal countries for training. And on the other hand, we have actively trained pilots here. Four years after it was established, the Vietnamese Air Force had a flight training school (30 September 1959. And during the past 35 years, hundreds of Vietnamese pilots have been trained there. Many of those people have matured. They are heroes and are serving as cadres in regiments or at even higher levels. For a long time, the air force has had a center for recruiting youths for probationary flight training. With pride, it can be said that we have much experience in this sphere with much data on selecting and training pilots in accord with Vietnamese anthropometric parameters. The Air Force Hospital (which recently celebrated its 30th year) is the leading place for Vietnamese aviation medicine. On this occasion, I would like to say that beginning in school-year 1995-1996, our pilots will receive a college-level education. Naturally, in order to become pilots capable of participating in combat, after they have left school, they must continue their training at their units.

[Que] Can you tell us briefly what things the air force must concentrate on in the coming period in order to build the forces?

[Ngan] The tradition of our heroic Vietnamese People's Air Force is "having boundless loyalty, being resolved to attack, having joint solidarity, and scoring collective achievements." To put this in more concrete terms, this means developing political capabilities and a concept of vigilance, constantly improving standards and combat readiness capabilities, giving attention to maintaining the aircraft, weapons, equipment, and technical means, concentrating on solving the pressing problems, and contributing to reducing imports requiring the use of foreign currency.

[Que] This must be linked to the civilian sector, right?

[Ngan] Naturally, because the air force is of the people, by the people, and for the people. The people's air force uses the will of the people as its basis and starting point. It makes creative use of the people's warfare lines and military arts in building its forces and fighting.

[Que] The first Air Force Party Committee resolution states: The air force is the air attack force and most mobile force of the military. With modern equipment, the air force can carry out economic tasks and build the country. Is this still a "compass?"

[Ngan] First, because aircraft can fly at high speeds and can carry many bombs, bullets, and rockets with great destructive power, the air force can respond very quickly and cover a broad area in order to provide support, coordinate things, and participate in joint combat operations with other branches of the service at great distances and in many directions. A flight of aircraft can carry out an attack of tactical and strategic significance in a specific period of time. Second, our military is a combat, work, and production military. Air force personnel have also been assigned economic tasks along with their national defense tasks. They must carry out those tasks in conjunction with defending our air space, borders, islands, territorial waters, continental shelf, and special economic zones. In recent years, the air force has made flights to support exploiting the oil and gas of the country.

[Que] Thank you, sir.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.